

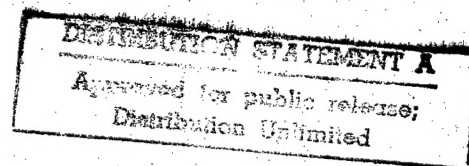
095110

JPRS-LAM-84-019

8 February 1984

Latin America Report

19980814 023



DTIC QUALITY INSPECTED 4

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

9
146
A 07

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

8 February 1984

LATIN AMERICA REPORT

CONTENTS

ENERGY ECONOMICS

JAMAICA

Fuel Price Hikes Bring Broad Ramifications, Angry Reactions (Various sources, various dates)	1
Gasoline Price Increase	
Public Protests	
PNP Reaction	
Hike in Electricity Rates	
Cooking Gas Situation	
Spread of Demonstrations	
Manley Criticism of Government	
Appeal to Bus Operators	
Bus Fare Increases	
Gasoline Retailers' Profit	
Cooking Gas Increase	
30,000 Use 60 Percent of Electricity; Oil Imports Threaten Economy (THE DAILY GLEANER, 24 Dec 83)	14

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

Misura Leader Asks Honduras, Costa Rica To Accept Refugees (LA TRIBUNA, 22 Dec 83)	16
Weapons Smugglers Linked to L.A. Subversive Command (EL COMERCIO, 31 Dec 83)	18
Arrested Senderist Leader Cites Trips Abroad, Other Acts (EL COMERCIO, 5 Jan 84)	19

Grenada Ex-Minister Radix Scores Idea of CARICOM Split (GUYANA CHRONICLE, 16 Dec 83)	20
ARGENTINA	
Wheat Harvest Figures Predicted at 12 Million Tons (LA NACION, 5 Jan 84)	22
Grain Board Renews Wheat Contracts With India, Iran (LA NACION, 8 Jan 84)	24
Favorable Trade Balance To Help Resolve Foreign Debt (LA NACION, 6 Jan 84)	25
Briefs	
Grain Harvesting Affected by Weather	26
USSR To Improve Relations	26
BAHAMAS	
MP Hits Illegal Haitian Immigrants; New Association Formed (THE TRIBUNE, various dates)	27
Bahamian-Haitian Group Immigrant Problem, by Anthony Forbes Call for Action, by Marcia Bethell	
Briefs	
Ministry Bomb Scare	30
Personal Staff for Pindling	30
BELIZE	
PUP, UDP Political Activities Reported, Assessed (Various sources, various dates)	31
UDP in Orange Walk PUP Rally Attack on PUP's Silky Stewart	
PUP Leftwing Seeking Cabinet Shifts in Split With Right (Various sources, 23 Dec 83)	34
Attack on Rogers Mutual Recrimination, by Stewart Krohn	
Bautista, Pinks Elected New Leaders of Belize City (THE BEACON, 31 Dec 83)	37
Electoral Meeting New System of Government Challenge to New Regime, Editorial	

PUP Penalizes City for Supporting UDP, 'Steals' Equipment (THE BEACON, 24 Dec 83)	41
Court Upholds Voter Register Secrecy; PUP Fraud Charged (Various sources, various dates)	43
Chief Justice's Ruling Slap at PUP, DISWEEK Charges Against PUP Mayor PUP Drive for Hegemony, Editorial	
Rumored Theft of Defense Force Arms Unconfirmed (THE REPORTER, 25 Dec 83)	47
Progress in Union Talks With Electricity Board Noted (THE REPORTER, 25 Dec 83)	48

BRAZIL

CACEX Establishes Credit Limits for Exports (O ESTADO DE SAO PAULO, 12 Jan 84)	49
Maluf on Latin American Relations, Debt Renegotiation (Paulo Maluf Interview; MANCHETE, 7 Jan 84)	51
EMBRAER 1983 Profits Exceed 1 Billion Cruzeiros; New Projects (O ESTADO DE SAO PAULO, 6 Jan 84)	54
Trade Balance for 1983, 1984 Prospects Reported (O ESTADO DE SAO PAULO, 6 Jan 84)	56
Briefs Trade Balance Goal for 1985	58

COLOMBIA

Betancur Advocates Dialogue as Alternative for Peace (Belisario Betancur Interview; HOY, 28 Dec 83)	59
--	----

CUBA

Theologians, Social Scientists Criticize U.S. Policies (Mirta Balea; GRANMA, 18 Dec 83)	63
--	----

DOMINICAN REPUBLIC

Technical Secretary Defends Government Tax Policy (EL CARIBE, various dates)	65
Taxation System Criticized, Editorial Social Welfare Among Justifications	

ECUADOR

High Inflation, Devaluation, Foreign Reserves Drop Reported (Marcelo Equez Toro; EL COMERCIO, 1 Jan 84)	70
Daily Currency Devaluation To Continue Until August (EL UNIVERSO, 3 Jan 84)	76
INEC Director on January Inflation Drop (EL COMERCIO, 1 Jan 84)	78

EL SALVADOR

ARENA, PDC, Others Explain Voting on Constitution (LE PRENSA GRAFICA, 15 Dec 83)	80
Blandon Comments on Guerrillas, U.S. Attitude (Adolfo Blandon Interview; LA NACION, 14 Dec 83)	83
Journalist Describes Press Freedom Limitations (Danilo Velado; EL TIEMPO, 9 Dec 83)	86

GUYANA

PNC Special Congress Marks 19 Years of Party's Rule (Various sources, various dates)	90
Reid Preview	
Resistance to Economic Pressure	
Burnham on Imperialist Schemes	
Burnham on Purge of Corrupt	
Election Results	
Supreme Congress of People Holds Second Sitting (Various sources, various dates)	96
Results From First Session	
Agenda Review	
Burnham on Schools	
Development Forecast, by George Baird	
Burnham on Agriculture	
PPP Statement Renews Call for Unified Political Front (MIRROR, SUNDAY CHRONICLE, 18 Dec 83).....	102
Text of Statement	
CHRONICLE Version	
PNC Outlines New Emphasis on Ideological Training (NEW NATION, 11 Dec 83)	105
Reid Urges PNC Members To Strengthen Loyalty, Education (NEW NATION, 11 Dec 83)	107

PPP Organ Scores Government's Education Policies (MIRROR, 18 Dec 83)	109
Trade Differences With Dominica Reviewed, Explained (SUNDAY CHRONICLE, 11 Dec 83)	111
MIRROR Criticizes Master Plan for Bauxite Industry (MIRROR, 18 Dec 83)	114
River, Sea Flood Control Projects Mapped for Region 4 (GUYANA CHRONICLE, 19 Dec 83)	116
U.S. Accused of Acting To Deprive Nation of Rice Market (GUYANA CHRONICLE, 13 Dec 83; MIRROR, 18 Dec 83).....	118
Hoyte in Parliament Jagan Attack	
MEXICO	
Scientific Research Apparatus Announced by President (Victor Manuel Juarez; UNOMASUNO, 7 Dec 83)	120
Briefs Electrical Worker Unemployment Figure	122
NETHERLANDS ANTILLES	
Social Tensions, Trade Union Negotiations (Frans Heyligers; NRC HANDELSBLAD, 2 Jan 84)	123
NICARAGUA	
VOA Branded Psychological Warfare Tool (Roberto Alvarez Quinones; BARRICADA, 16 Dec 83)	126
Farmers Organization Says Amnesty Lacks Clarity, Guarantees (LA PRENSA, 16 Dec 83)	128
PERU	
Swedish Reporter: Both Sides Rely on Terror in Ayacucho War (Bengt Albons; DAGENS NYHETER, 10 Jan 84)	129
Historic, Legal Ties With Antarctic Emphasized (EL COMERCIO, 2 Jan 84)	136
ST LUCIA	
PLP Organ Reports Arrival of U.S. Arms Shipment (CRUSADER, 17 Dec 83)	137

ST VINCENT AND THE GRENADINES

Opposition UPM Protests Government Pensions Scheme (MIRROR, 18 Dec 83)	138
---	-----

FUEL PRICE HIKES BRING BROAD RAMIFICATIONS, ANGRY REACTIONS

Gasoline Price Increase

[Text] AS FROM MIDNIGHT last night, the price of gasoline has gone up by \$3 a gallon--rising from \$5.99 to \$8.99 for premium grade.

Regular gas is also up by \$2.90, to \$8.75 per gallon.

There are also increases in the prices of motor-car diesel oil and of kerosene oil.

These announcements were made last night by the new Minister of Mining and Energy, the Hon. Hugh Hart.

"These measures are inescapable," the Minister said, in a prepared statement "in light of the recent increases in the price of imported crude oil, and the adjustments to the economy which are the inevitable result of the world recession."

Senator Hart asked that it be noted that included in the new prices are "a substantial subsidy" to the Jamaica Public Service Company "to keep the impact on higher cost of electricity to a minimum".

This subsidy amounts to over \$100-million, he said.

An amount of \$30-million of additional taxation has also been built into the new prices "to enable the Government to meet the higher costs of operations arising from increased energy costs".

The following is the statement:

"On November 23, 1983, the Rt. Honourable Prime Minister announced, in Parliament, the unification of the parallel and official exchange rates, and that as a result of the new rate of exchange and recent increases which had taken place in the price of petroleum imports, there would be certain adjustments necessary to the price of petroleum products. The Prime Minister stated that the new prices would be made at some later date as soon as the calculations were complete.

"The subject of petroleum prices became my responsibility as a consequence of my appointment as Minister of Mining and Energy. My first task under this portfolio was to carefully review Government's existing policies on all Energy issues, particularly that of petroleum pricing, which has now become a matter of urgency.

"Fuels fall under three categories according to use by the various income groups of our country, by industry, agriculture, public transport, commerce and for purely consumer purposes, such as pleasure driving and private travelling.

"Naturally, there is some overlap of these categories, but they represent essentially the broad groups into which the use of various petroleum products fall.

"In the development of a national fuels policy, it must be recognised that certain fuels are more efficient than others and that LPG (Cooking Gas) is widely used in households, and Kerosene is the predominant fuel for the rural population, who have neither the financial resources nor access to alternatives such as electricity.

"Government's policy therefore is to price these fuels at a level which will minimise the cost impact to those consumers who can least afford it. In addition, since LPG is a more efficient fuel for cooking, the pricing policy is also intended to encourage a shift from the use of electricity to this fuel.

"It has been recognised that certain fuels, notably Gasolenes, have continued to increase in demand and regrettably at a time when our foreign exchange reserves have been unable to sustain this growth.

"In 1983, gasoline demand grew by over 3% adding an additional U.S.\$2 million to the national oil import bill thus causing further negative impact on our foreign exchange budget. Therefore, a major policy objective must be to restrain demand through the mechanism of pricing and increased conservation.

"Accordingly, gasoline has been made to bear the brunt of the price increase thereby not only assisting in the policy of conservation but enabling the Government to provide price support through subsidy for other fuels which are essential to the community and the economy.

"It should be noted that much has already been done, and is being done, by this Government because of its recognition of the importance of energy conservation.

With the assistance of the US/AID in the past year alone, a total of J\$2 million has been spent to audit and re-equip hospitals, clinics, hotels, public sector enterprises, factories and public sector offices with energy saving devices and mechanisms, which should yield energysavings of J\$2.5 million per annum to the beneficiary agencies.

"This programme will be expanded for the next financial year, providing a further J\$6 million for similar projects in the public sector, yielding an estimated J\$6.4 million in annual savings.

"In addition, a revolving loan fund for the private sector to audit and re-equip their organisation with energy-efficient devices and provide energy-efficient services will be introduced. This is valued at J\$8 million and should yield similar relative levels of savings as for the public sector.

"It is recognised that although significant strides have been made in certain areas of the public sector, a further vigorous thrust will have to be made in those untouched areas which will enhance the total energy efficiency.

These include:

(i) The appointment of senior staff members in all public-sector organisations to monitor and control energy utilisation;

(ii) The establishment of an energy management training course at the UWI for the training of public and private sector personnel, beginning in March 1984. In addition, CAST will be offering training on an on-going basis to middle level and craft personnel who will then be able to service the energy sector;

(iii) A system for properly managing the use of public sector vehicles and to maintain their fuel efficiency will be established.

"In addition to the conservation thrust, all the alternative energy sources, such as hydro, solar and bio-energy projects are being accelerated to substantially reduce oil imports over the rest of this decade. It is hoped that the background information just given will help you to appreciate the rationals for the pricing mechanism which I will now outline.

"Effective at mid-night tonight, the following are the price increases on the petroleum products which are price controlled.:

Premium Motor Gasolene to be increased by \$3.00 per imperial gallon to \$8.99 per imperial gallon;

Regular Motor Gasolene to be increased by \$2.90 per imperial gallon to \$8.75 per imperial gallon;

Kerosene Oil to be increased by only 50 cents per imperial gallon to \$3.00 per imperial gallon in urban areas and \$3.07 per imperial gallon in rural area;

Automotive Diesel Oil to be increased by \$2.00 per imperial gallon to \$5.99 per imperial gallon at the service station pump and \$5.90 when sold in bulk.

"Cooking gas prices, per cylinder will be announced by the Minister of Industry & Commerce, under whose Ministry this item falls.

"I wish to emphasise once again that these measures which I have just announced are inescapable, in light of the recent increases in the price of imported crude oil, and the adjustments to the economy which are the inevitable result of the world recession.

"It must be noted that included in these new prices are a substantial subsidy to the JPS to keep the impact on higher costs of electricity to a minimum. This amounts to over \$100 million.

"Secondly, an amount of \$30 million of additional taxation has been built in to these new prices to enable the Government to meet the higher costs of operations arising from increased energy costs.

"In our efforts to sustain our recovery programme and to promote stable and constant growth, we have to face up to these demands on our abilities and determination to overcome these problems. It is not an easy road.

"Some of the measures that we will have to adopt are, and will be unpalatable at first, but if we as a people understand and face up to these inescapable truths we will succeed in our fundamental aim to secure a better economic future for all Jamaicans".

Public Protests

Kingston THE SUNDAY GLEANER in English 1 Jan 84 p 1

[Excerpts] The 50 per cent increase in petrol prices announced on Friday sparked demonstrations yesterday in parts of St. Catherine, St. Elizabeth and St. Mary as residents blocked a number of roads, disrupting traffic.

The Police Information Centre confirmed the reports of the demonstrations in St. Mary and St. Elizabeth, and the St. Catherine Police, who deployed officers to the scene of demonstrations in that parish, confirmed that road blocks were mounted by citizens between Binloss and Ewarton.

In Junction, St. Elizabeth, about 50 motorists, most of them taxi operators, used their cars to block the main road from 7 a.m. Police estimated that about 150 persons took part in the demonstration and painted slogans in the road.

And the Gleaner's Lucea correspondent reported that minibus operators in that area have hiked their fares and are threatening to remove their buses from the roads as of tomorrow.

Checks by the Gleaner in Kingston have revealed that minibus operators plying between the city and rural areas and those plying city routes have not increased their fares. The operators however said they expect increased fares.

Many taxi drivers in the Corporate Area also said they expect to increase fares but say they fear commuters will not be able to pay increased fares.

PNP Reaction

Kingston THE SUNDAY GLEANER in English 1 Jan 84 p 1

[Text] The People's National Party (PNP) said yesterday that the size of the increase in gasoline prices was "cruel, unjustified and unreasonable, coming so soon after one of 31% in June."

In a statement signed by its President Mr. Michael Manley, the PNP said: "In fact, in six months, the Government has increased the price of gasoline by \$4.34 or 93%."

An increase of that size, said the PNP, "is not only economically unjustified, but will be counter-productive. It is unjustified because the Government has once again used the cover of increased oil prices to augment its tax intake, just as it did surreptitiously in June."

Commenting on the relation which the gas price increase bears to the changes in the exchange rate, the PNP "challenged the Government to deny that less than 80% of the \$3 increase can be attributed to changes in the exchange rate."

The PNP accused the Government of waiting until it held its elections in mid-December to impose the increase and warned that "more is to come". It said it was convinced that the size of the increase "also reflects the Government's own expectation of further depreciation in the value of the Jamaican dollar."

The party also accused Prime Minister Edward Seaga of continuing to give to the country information on the economy which was "blatantly misleading", and called on the Government to "tell the nation what is the true state of negotiations with the IMF, the exact conditions of the proposed agreement and when it would actually be put in place."

Hike in Electricity Rates

Kingston THE SUNDAY GLEANER in English 1 Jan 84 pp 1, 3

[Text] ELECTRICITY RATES are to be increased by 40% as of the end of this month. This was announced by Minister of Public Utilities and Transport, Hon. Pearnel Charles yesterday.

The announcement came a day after the 50% hike in petrol prices which took effect at midnight Friday and which yesterday sparked protest demonstrations in three rural parishes.

The Government has also abolished, effective yesterday, the "crawling peg" increase in electricity rates by which ratepayers had their bills increased by 1% each month or a total of 13% per year. Mr. Charles told the Gleaner that the increase in electricity rates would have been 65% had Government not provided a subsidy of \$100 million to the JPS.

Following is Mr. Charles' statement:

"A new structure of electricity bills is to go into effect at the end of this month as a consequence of the increased prices in Jamaican dollars which the Jamaica Public Service Company now has to pay for petroleum fuel to fire its generator.

The increase will average out at 40% but in order to stabilise the amount which to electric power customers will have to pay monthly or bimonthly, depending on the system of accounting on which they are now being debted, the Government have decided to remove the crawling increase in electric power bills which stands at 1% per month compounding at 13% per annum. The removal of the 1% monthly increase comes into effect immediately.

As the country is aware, the Jamaica Public Service Company's expenditure now required as a result of the Company up to recently, has been permitted to pay for its fuel at the previous official rate of exchange of J\$1.78 to one U.S. dollar. Consequent however, on the unification of the official and parallel market and CARICOM rate on a float between U.S.\$1 to J\$3.15 the company is now required to pay for its fuel at a new rate and has been doing so since the unification of the exchange rate. This works out at 77% increase in the amount the company must now pay for its fuel. In addition the Jamaica Public Service Company must now purchase spare parts and essential equipment for its programme of improving and expanding the country's electrical service at the new increased exchange rate. The result of this is that customers would have been required to pay an increase in rate computed at 65% to meet the additional cost which the company must now expend to keep in operation and to generate the electric power required by consumers and the productive section of the economy.

However, as already announced, the government will be providing a sum of J\$100 million as a subsidy to the JPSCo and to assist the Company to meet additional outlay for fuel cost, spare parts and essential equipment. This amount, however, is insufficient to meet the additional unification of the exchange rate.

The Government subsidy which replaces and improves on the previous subsidy granted to the company as budgetary support will only meet part of the additional expenditure. It is therefore necessary to increase electric power rates, not by 65% which would have been required without the subsidy but by an average of 40% which will become effective January 31, 1984. At the same time the Government and the Company have been aware that consumers of electric power had found the creeping 1 per cent monthly increase which compounds at 13% per annum irksome as they could not anticipate what the approximate monthly bills would be. The Government and the Company have therefore decided to abolish the 1 per cent monthly increase as of December 31, 1983 bringing to an end the gradual increase in electricity bills which has been taking place since July, 1978.

The new payment structure for electricity bills will be published shortly and every attempt is being made to structure the rate so as to cause the least possible burden to fall on the very small consumer of electric power. Plans

are also being finalised for the maximisation of consumer services and it is to be noted that new deposits now being collected by the Company from its customers will be a safeguard against disconnection of services if the deposit to be applied is in excess of the bills unpaid."

Cooking Gas Situation

Kingston THE DAILY GLEANER in English 2 Jan 84 p 1

[Text]

The price of cooking gas or liquid petroleum gas (LPG) is to be increased this week, Minister of Industry and Commerce Hon. Douglas Vaz told the Gleaner last night.

Mr. Vaz said, however, that he could not say exactly what the level of the increase would be but that it will be "lower than most people are expecting." Mr. Vaz, who since Saturday has been meeting with representatives from the Prices Commission said that he was trying to arrive at the "best price". The Minister, officers of his Ministry, including the Permanent Secretary, Mr. Horace Edwards, Mr. George Palmer, Consultant with the Prices Commission and other officers of that body, were meeting up late last night to determine the price which the Minister

said may be announced today. He said he was also in contact with representatives of the marketing companies which process the LPG in Jamaica.

Mr. Vaz said the increases requested by distributors would take into consideration the difference between the former official exchange rate of \$1.78 to the US dollar and the new unified rate of exchange at which the LPG will be bought as well as increased transportation costs and an outstanding claim for an increase by distributors.

Pressed about what the increase would be Mr. Vaz said he expects it to be less than 40% of the existing price and this would mean that the 100-lb. cylinder of gas would cost less than \$100.

Spread of Demonstrations

Kingston THE DAILY GLEANER in English 2 Jan 84 p 2

[Text] Demonstrations which began in three rural parishes Saturday against the increase in the price of gasoline spread to the Corporate Area and Clarendon yesterday.

The Police Information Centre (PIC) reported that citizens demonstrated along Windward Road yesterday morning against the increase in the price of gas. Reports to the Gleaner are that in the same area citizens used old cars, drums and other obstacles to block sections of Mountain View Avenue early yesterday morning but these reports were not confirmed by the police.

The police also reported that citizens used logs, drums, old cars and other vehicles to block the Waltham Park Road at the intersection with Pembroke Road and this affected the flow of traffic yesterday morning. The police cleared away the obstacles used to block the road and stood by to keep order.

In Kellits, Clarendon, citizens also used logs, car tyres, old cars and debris to block the road and some citizens demonstrated in the square.

On Saturday citizens demonstrated by blocking roads in the Ewarton area of St. Catherine, Highgate in St. Mary and Junction in St. Elizabeth. The price of gasoline was increased by 50%, and other petroleum products also had large increases as of midnight Friday.

Manley Criticism of Government

Kingston THE DAILY GLEANER in English 2 Jan 84 p 2

[Text] Mr. Michael Manley, Leader of the Peoples National Party has described the increases in gasoline prices as economically unjustified. In a statement Saturday the day after the new prices were announced Mr. Manley said:

"The People's National Party is alarmed and dismayed at the size of the increase in gasoline prices announced last night by the Minister of Mining and Energy, on behalf of the Government. An increase of that size is cruel, unjustified and unreasonable, coming so soon after one of 31% in June. In fact, in six months, the Government has increased the price of gasoline by \$4.34 or over 93%.

An increase of that size is not only economically unjustified but will be counter-productive. It is unjustified because the Government has once again used the cover of increased oil prices to augment its tax intake, just as it did surreptitiously in June.

The PNP challenges the Government to deny that less than 80¢ of the \$3.00 increase can be attributed to changes in the exchange rate. The action is typical of the underhand cloak and dagger operations of the Government which is yet to present a real budget for the fiscal year 1983/84. The tax increases included in the gasoline prices in June and December are simply attempts by the Government to compensate for the miscalculations in revenue and expenditure projections for 1983/84.

What is worse is that the Government, with a cynical contempt for the Jamaican people deliberately delayed implementing the harsh economic measures until it held its Election in mid-December. The people must realise that more is to come.

The system is now so totally chaotic that there is no possibility of any programme of subsidy to soften the blow of the inevitable increases in fares for school children and for those without cars, who use public transportation.

The exact impact of this mammoth increase on the rest of the economy cannot be specified at this time. However, apart from the obvious direct effects, there will be increase in about all prices since every goods and service have a transportation component. When the effects of this recent increase are combined with the forthcoming jump in electricity rates and the prices of basic commodities, the very survival of middle-to-low-income households will be at stake.

The PNP is convinced that the size of the increase also reflects the Government's own expectation of further depreciation in the value of the Jamaican dollar. Evidence of this certain decline has already been provided by the fact that the mid-point rate set by the banks has already moved from J\$3.15 to J\$3.30, to the US dollar, creating more uncertainty as to where it will be by the end of 1984...

The present method of economic management seems to consist of a combination of "samfie" tactics including the withholding of vital information from the public, the announcement of sudden twists and turns in policy and, most worrying, the deliberate attempt to mislead the country as to the state of the economy.

The public will recall that it was following the PNP's irrefutable charge that he had misled the country on October 7, by announcing success in the IMF tests, that the Prime Minister called the "bogus" election to receive a vote of thanks from the people. That this vote of confidence was not given is evident, not only from the low turn-out of the elections, but also from the poll results showing that 70% of the voters wished new elections as soon as the real voters' list is ready.

The PNP wishes to point out that the Prime Minister has continued to provide the country with information on the economy which is blatantly misleading. In the Ministry Paper No. 43, which was tabled in Parliament on November 23, 1983, over the name of the Prime Minister and Minister of Finance and Planning, paragraph 6 reads in part...

"...it has been agreed that a 15-month Standby Credit Facility should replace the remaining six-months of the EFF Programme as of January 1, 1984, to run to March 31, 1985" (our emphasis).

This would mean that the agreement with the IMF should take effect tomorrow but the truth is that there is no agreement with the IMF on the Standby Credit Facility. Furthermore, to the Party's knowledge, no Agreement has yet been submitted to the IMF Board of Directors. How then could the Prime Minister table this Ministry Paper on November 23rd, knowing fully well that there was no agreement?

The PNP demands that the Government tells the nation what is the true state of negotiations with the IMF. Also, the country must be told the exact conditions of the proposed agreement and when it will actually be put in place.

The PNP warns the Government that it will remain vigilant in the public's interest and will not fail to expose continued half-truths and misinformation on the economy.

Michael Manley
PRESIDENT

Appeal to Bus Operators

Kingston THE DAILY GLEANER in English 3 Jan 84 pp 1, 13

[Text]

THE MINISTER of Public Utilities and Transport, the Hon. Parnel Charles, has called on minibus operators to "hold strain" under the effect of the new gas price increases until the matter was examined and new fares determined.

This development overshadowed what could have turned out to be a smooth start for the operation of the new transport system for the Corporate Area in which routes had been allotted to three franchise-holders.

The Minister said that demonstration on the streets was not the way to bring to the attention of the Government that there was a need for adjustment in fares. One of the franchise-holders, the Stage Carriage Mini Bus Association Corporation, also condemned the demonstration and said it would continue to offer services until a proper decision was made with regard to new fares.

The Minister made his statement following the pull-back of service by a group of mini-bus operators in Half-Way Tree yesterday morning which temporarily disrupted operations of the new transport system and also against the background of a rumour that wide-scale demonstrations were planned for today throughout the city.

According to the operators, they were demanding a roll-back of the gas price or an immediate increase in minibus fares to \$1. They also complained that under the new transport system the poorer operators had been given routes "in the bushes" where they were prone to be attacked by robbers, while the well-to-do operators were awarded the more lucrative routes.

Mr. Charles told the **Gleaner** that he had instructed the new Transport Authority to meet early this week to "examine the implications for transport as a result of the increases in gas price".

He said he was asking all the minibus operators to "hold strain and allow us to carry out this exercise". An appropriate announcement would be made after the Transport Authority completed the exercise, he said.

Mr. Charles said that he was appealing to the operators not to take any rash action that would result in the disruption of the new transport system because, in the long run, the general public would feel the effects.

The managers of the zone would be allowed to take part in the meeting with the Transport Authority in the determination of new fare structures, Mr. Charles said.

He recalled that last week he had told the nation of the impending increases in the price of petrol and petroleum products and electricity rates, and noted that these were challenges "we wish we could bear but we have to face".

Mr. Charles also said then that it was not a question of whether or not one supported the Government, but a question of whether or not one supported Jamaica.

Speaking on the concerns of the operators about the assignment of routes, Mr. Charles said that that was not his function or that of the Transport Authority, but rather of the franchise-holders: Bloomfields Jamaica Limited, the JMBA, and the Stage Carriage Mini-bus Association Corporation Limited.

He said however, that the system had just started and adjustments would necessarily be made. "We are open to suggestions and adjustments will be made wherever warranted," he told the **Gleaner**.

A check was made yesterday with operators under the new system, who said that it was running smoothly but this could be as a result of the holiday. Most of them said they would reserve their comments on the system until the movement of commuters picked up momentum today.

One operator complained that it was already "stiff" for him in the face of the gas price increase and the fact that there were too many buses running on one route. "We have more buses than peo-

ple," said an operator on the route from Six Miles to Papine.

Mr. Charles, who was seen at a strategic point on the same route, said that as far as he had seen the system was operating smoothly. However, he noted that the system had to be given time to prove itself.

In a reaction to the demonstrations yesterday, the communist Workers Party of Jamaica said it "strongly supports" what it described as the spontaneous action of the minibus against the exorbitant increase in the price of gasoline.

"The Party calls on them and all Jamaicans to demand a roll-back in gas price by reducing the amount of extra taxation hidden in the new price," the WPI statement said.

The Stage Carriage Mini-Bus Association Corporation Limited, in a news release yesterday, said it condemned the

current protest by some minibus operators over the recent increases in the price of petrol.

As a responsible organisation in close contact with the Ministry, the Association said it believed in protest without dislocation. The release said that the Association would continue to offer services until a proper decision as to fare structure was arrived at.

Over in Hanover, bus operators have decided to park their vehicles for two weeks as of yesterday to protest the gasoline increases. Transport operators for cane-farmers have also withdrawn their service, according to the **Gleaner** correspondent in Lucea.

Minibus operators have increased their fares to 150 per cent and residents in that section of the island are seeking the intervention of the Minister of Public Utilities, the report said.

Bus Fare Increases

Kingston THE DAILY GLEANER in English 4 Jan 84 pp 1, 12

[Text]

BUS FARES IN THE Corporate Area have been increased by between 20 and 33 per cent effective today. However, no new fares have been announced for buses operating in the Portmore Area, between Kingston and Spanish Town and other rural area routes. Taxi operators in the Corporate area have not yet been granted an increase either.

Commuters using public passenger buses or minibuses plying Corporate Area routes are to pay 10 cents more for the first stage; 15 cents more for the second stage; and 25 cents more for the third stage, as of today. Children will pay 5 cents more, moving their fare from 20 cents to 25 cents. The disabled, pensioners and senior citizens over 65 years old will also pay 5 cents more which moves up their fare from 25 cents to 30 cents.

The new adult Corporate Area fares for each stage travelled on buses or minibuses are:

*A single stage journey — 60 cents, up from 50 cents — a 20% increase;

*A two-stage journey — 80 cents, up from 65 cents — a 23% increase;

*A three-stage journey — \$1:00, up from 75 cents — a 33 1/3% increase;

Children will pay 25 cents for all stages or any stage an increase of 25%.

The Minister of Public Utilities and Transport, Hon. Parnell Charles, in announcing the new fares for commuters in the Corporate Area yesterday afternoon, said that rural bus operators,

operators in Portmore and Spanish Town and taxi-operators will receive new rates following a meeting which he has called with their representatives for 10 o'clock tomorrow morning at his New Kingston office.

He said that rates charged by all taxi-operators and rural bus operators before the gas price increase on Friday night must remain in effect until new rates are set by his Ministry. He warned that operators who set and charge their own fares without approval from his Ministry or the Transport Authority risk losing their licences as well as their franchise to operate as public passenger

carriers.

Mr. Charles said that reports to him indicated that "a number of rural area taxi and bus operators have gone mad" and have increased their fares by 50% or more, claiming that the price of gasoline has gone up by 50%. He said that gasoline is not the only factor in the operation of a public passenger vehicle and hence an increase of 50% in gasoline does not mean that fares must go up by 50%. He stressed that no taxis or buses in the rural areas have been authorised to increase their fares.

Making reference to the new urban transportation system which became operational on Monday but which had its first real test yesterday, Mr. Charles said there were some problems, as anticipated. He said that the problems sprung mainly from two sources, these

being that some minibus operators heard that there were to be demonstrations yesterday and did not send out their buses as they feared damage to them, and that some operators refused to operate at the old fares.

He said that by setting the new fares which were arrived at after a meeting yesterday with the franchise-holders now operating Corporate Area routes, things should be better from today.

The Minister said that the operators had requested an increase of 100% but he had asked them to consider the "pressures" which citizens are already facing. He promised a public education campaign on the new system and asked commuters and bus operators to co-operate to make the system, which he said was a "perfect one on paper", work.

Gasoline Retailers' Profit

Kingston THE DAILY GLEANER in English 4 Jan 84 p 12

[Text]

Gasolene retailers are continuing their efforts to get an increase in their profit margin. A meeting to this end is being held with the Ministry of Mining and Energy tomorrow.

A statement issued yesterday by the Jamaica Gasolene Retailers Association, through its 1st Vice-president, Mr. A. D. Hobbins, said:

"Consequent on the price increases in gasolene, gas oil and kerosene oil announced by the Hon. Minister of Mining and Energy at the meeting held at his Ministry on Friday, December 30, 1983, the Jamaica Gasolene Retailers Association is continuing its negotiations for the necessary margin adjustments.

"A meeting is to be held at the Ministry of Mining and Energy on Thursday, January 5, 1984 when it is hoped that the negotiations will be finalized.

"In the interim the marketing companies will bill at the new price less the existing dealer margin".

Cooking Gas Increase

Kingston THE DAILY GLEANER in English 4 Jan 84 p 12

[Text]

The price of the 100-pound cylinder of liquified petroleum gas (cooking gas) has gone up from \$60.40 to \$81.50, and the 25-pound has moved from \$15.45 to \$20.50, the Minister of Industry and Commerce the Hon. Douglas Vaz, announced formally yesterday.

An official news release said that the Minister said the increase was largely due to the recent devaluation which put up the price of petroleum products. He

noted that the increase in the price of the fuel raw material was potentially some 84.6 percent as a result of the devaluation though the Government was able to contain the increase to 34.9% in the case of the 100-pound cylinder, and 32.7% in the case of the 25-pound cylinder.

He pointed out that the Government was subsidising cooking gas at \$5.98 for each 100-pound cylinder, stressing that this was "the best that we could possibly have done at this time." He noted however that distributors had requested a higher increase but that he had stoutly resisted that.

"The cooking gas issues is the single most controversial consumer issue in the country and I have advised the companies of this and advised that they repair their impaired image in the consumers' eyes and not test their patience any further," Mr. Vaz said.

He again came out against the practice of asking old customers to pay new deposits for cylinders. "We cannot allow delivery men to take cylinders from these people and then go back for them, telling these people they have to pay a deposit for a new cylinder. This is nonsense," he said. "We have received numerous complaints," he said.

He said he had asked the heads of the gas companies to comment on a possible "rule-book" governing the operations of the gas companies. "We have to get some order in the system, where the consumers know only one set of rules to be followed by all companies trading in cooking gas," he said.

CSO: 3298/362

30,000 USE 60 PERCENT OF ELECTRICITY; OIL IMPORTS THREATEN ECONOMY

Kingston THE DAILY GLEANER in English 24 Dec 83 p 19

[Text]

A statement that 30,000 householders representing 5.7 percent of our population consume 68 per cent of the household electricity generated, has been made by the Managing Director of the Petroleum Corporation of Jamaica, Mr. William V. Saunders.

This 5.7 per cent of the population, he said, consumed US\$27 million of Jamaica's 1983 petroleum bill.

Speaking at a November symposium on energy, organised by the Shell Company, Mr. Saunders said there were in the island some 96,000 gasoline fuelled motor vehicles, consuming 60 million gallons annually at a current cost of about US\$52 million.

The combined effect was that about 7 per cent of the nation's population consume US\$79 million or about 31 per cent of our oil bill "and in less than two areas only!"

Mr. Saunders, who was discussing the theme, "Petroleum Energy -- A search for Jamaican solutions", then posed the question:

"Can any of us, in this privileged group, therefore, deny personal responsibility for consuming such a disproportionate amount of our nation's scarce for-

ign exchange?", asked Mr. Saunders, as he pleaded guilty to being one of the group.

In a series of graphs which illustrated his argument, PETROJAM's managing director the principal manifestation of the economic problem in Jamaica was an increasing inability to finance our import and debt service requirements by exports, with a consequent reliance on loan financing. He went on:

"In 1981 this reached a critical level when our export earnings failed to cover even debt service and oil imports. The consequence was borrowing amounting to US\$14 million. The critical point of 1981 was not the result of events of 1980, nor was it the end point of economic activities in preceding years.

"An examination of the uses of our foreign exchange inflows will show that our 'other' uses--uses which include oil purchases and debt payments--have either been, greater than our export earnings, or at best, marginally less.

"1981 simply represents the culmination of a tendency which has been present in the Jamaican economy for a very long time, that is, the need to

rely on foreign capital inflows to balance a traditionally unfavourable situation in our balance of trade.

"We had become a nation of merchants, traders and consumers -- not producers. Nowhere is this poor historical performance more vividly demonstrated than in our balance of payments summary. We have relied on loans and other capital inflows to balance our current account deficit," said Mr. Saunders, who went on to point out:

"But the foreign exchange problem is only a surface phenomenon. What lies below -- the very essence of the problem -- is a structural weakness in the Jamaican economy -- a weakness derived from an economic structure which de-emphasizes the development and use of Jamaican resources in favour of foreign resources. We had become a Bauxite Economy long before OPEC and non-OPEC producers became oil economies."

Stating that "nowhere is this phenomenon of a de-emphasis on development of indigenous resources more stark than in Jamaica's energy sector", the speaker said that while it was difficult to obtain projections of export earnings, import requirements and debt service over the next five years, the data available suggested a continuation of the present tight foreign exchange situation into the foreseeable future. He said:

"Projections of earnings from Agro-21, Bauxite/Alumina and Tourism suggest average annual incremental foreign exchange earnings amounting to US\$33.0 million over the period 1984-87. At the same time, the oil import bill is expected to increase at least by US\$6.4 million per annum, and one can only speculate that the dramatic build-up of debt in the first three years of the '80's will result in significant increases in debt service requirements."

Summing up on this point, Mr. Saunders said, "Unless we believe in miracles or anticipate a bail-out from external benefactors, we can conclude that, until there is a dramatic change in our economic structure, current economic problems will, if not worsen, carry over far into the future."

In addressing the question of structural adjustment for the future, Mr. Saunders said that current studies indicated that Jamaica had the potential to economically generate as much as 50 mws more of electricity from hydropower stations, and there were other sites still to be investigated. It was also shown that Jamaica could economically generate another 120 mws of electricity from local peat deposits "which meant that more than 70 per cent of the current peak electricity demand could economically be met from local sources. We could save more than 30 per cent of current pe-

troleum requirements with these indigenous resources."

Stating that, until recently, Jamaican oil and gas potential had received scant attention, Mr. Saunders added that since the first oil price shock of 1973 and until the advent of the PCJ, none of the energy companies operating locally chose to invest in the development of these energy resources. "The big oil companies, like all multi-nationals, have a global reach. Broadly speaking, their objective is to maximize globally and not necessarily in all of the countries within which they operate."

Of the PCJ's performance, Mr. Saunders said that since its inception, the corporation had performed "remarkably well" in terms of its profitability. As a national oil company, PCJ was quite satisfied to earn its profits in Jamaican dollars and as such, it repatriated, rather than export its U.S dollar earnings. Further, the corporation had invested very heavily in projects of national significance, its expenditure on local, alternate energy projects in 1982 amounting to J\$31.2 million.

In looking at the challenges for the future, the PCJ general manager said:

"We further challenge the oil companies to joint venture with PCJ in at least one exploration well either on or off-shore Jamaica so that further knowledge of Jamaica's hydro-carbon potential can be obtained."

MISURA LEADER ASKS HONDURAS, COSTA RICA TO ACCEPT REFUGEES

Tegucigalpa LA TRIBUNA in Spanish 22 Dec 83 p 42

Text "Somoza was no angel as a ruler, but the nine commanders are real devils who have subjugated the Nicaraguan people and persist in the genocide of the Indians," the Political Committee of the Nicaraguan insurgent movement MISURA said yesterday after reiterating their rejection of the government's amnesty offer.

A Mockery

Wykleff Diego, Roger Herman, Adan Artola and Teofilo Archivol Willson, of the MISURA Committee, delivered a message recorded "somewhere in the mountains of Nicaragua" by Stedman Fagot Muller, commander-in-chief of the anti-sandinist fighting forces of this organization, which called the amnesty offer and the "perfidious," Sandinist position "a mockery of the democratic governments of the world."

Fagott says: "How can they speak of religious freedom with the recollection of the mockery and derision aimed at Pope John Paul II during his pastoral visit to Nicaragua, is still fresh in people's minds?"

"How can they speak of amnesty for Nicaraguan patriots, when the jails of our country are cluttered with political prisoners and with Indians whose only sin is seeking to maintain their traditions?"

Teofilo Archivol, domestic representative to the MISURA Committee, stated he had been imprisoned for 8 months and subjected to torture in the Sandinist jails and showed his fleshless, emaciated hands on which the fingernails were missing, "proof of the communist barbarism of those who now repress the MISURA people and all Nicaraguans," he asserted.

"Somoza was no angel," he said, "but he never carried out acts of genocide against the Indians. The nine Sandinist commanders not only want to finish off our tribes, our traditions, but even commit crimes against Almighty God."

Intervention

MISURA urged international organizations like the United Nations, the OAS and Amnesty International "to verify, confirm and substantiate the murder and the systematic extermination of our people."

"We call for newspapermen, reporters and journalists, both domestic and foreign, to confirm the reason for the exodus of our people, and we beg the governments of Honduras and Costa Rica to accept the thousands of refugees who are now reaching their borders," they asserted.

Why They Flee

The MISURA assert that Nicaraguans flee their country because they are subjected to slave labor in farming and animal husbandry production to feed the military bases and repressive units located in La Tronquera, Waspan, Leimus and Puerto Cabezas.

On account of the program of relocation to another concentration camp, in the interior of the country (Matagalpa), to work on the farms or properties of the INRA National Institute for Agrarian Reform in the cutting of coffee, dividing up the Miskito people contrary to their conditions and idiosyncrasy.

On account of the skimpy, niggardly food rationing that is decimating the population imprisoned in the concentration camps, and on account of harrassment by the terrifying security of the Sandinist state, which repressed them day in and day out.

This is why, they reported, we call for the intervention and help of the Honduran and Costa Rican peoples to give refuge to our brothers who now are people without a country, "but ready to fight to recover their freedom and their nation."

12448

CSO; 3248/308

WEAPONS SMUGGLERS LINKED TO L.A. SUBVERSIVE COMMAND

Quito EL COMERCIO in Spanish 31 Dec 83 p A-16

[Text] Lima, 30 Dec (ANSA)--The Peruvian police have deactivated an alleged Latin American subversive command with apparent ties to Argentina, Ecuador, Peru, Chile and Bolivia.

A Chilean citizen identified as Jorge Sergio Tapia Arraya who, until yesterday, was thought to be Argentine told the State Security Police that he was part of an opposition movement against Chilean President Augusto Pinochet.

Tapia Arraya was arrested several days ago with two Peruvians, Urbano Cordova Hinojosa and Oscar Roberto Martinez, as they tried to transport several machine guns, hand grenades, explosives and \$5 million in cash to Ecuador.

There are no official reports from Lima but it was learned that the arrested men are being intensively interrogated by police and military intelligence services at the state security headquarters in this capital.

It is suspected that the arrested men are members of an underground organization that supplies arms and ammunition to groups that need it like drug traffickers.

It was also learned that during the first police interrogations the arrested men admitted that they are members of a Chilean resistance organization against General Pinochet's regime. However, this was not confirmed or denied by the police.

At first, the arrested men tried to outlast the police inquiry in the northern city of Chiclayo where they were arrested as they traveled in a small vehicle.

After showing suspicious reactions, the arrested men were subjected to more interrogation while a special police brigade searched the vehicle.

Inside it they found arms, hand grenades and explosives.

They also found more than 800 machine-gun bullets and maps of strategic zones in Bolivia, Chile and Peru.

It has not been established whether the arrested men had contacts with the drug traffickers who operate on the border between Peru and Ecuador.

ARRESTED SENDERIST LEADER CITES TRIPS ABROAD, OTHER ACTS

Lima EL COMERCIO in Spanish 5 Jan 84 p A-1

[Text] In an inquiry that lasted almost 5 hours, the alleged ideologist of "Sendero Luminoso," Emilio Antonio Diaz Martinez, began to give his testimony yesterday before the judge of the 16th Court of Proceedings, Dr Pedro Mendez Rodriguez.

Mendez Rodriguez began to take the testimony in the cell at the Palacio de Justicia. The proceedings began at 3 pm and ended at 8:55 pm; it will continue today at 3 pm.

Despite the secret nature of the proceedings, it was learned that Diaz Martinez gave a detailed explanation of his trips abroad. This information will permit the judge to establish a probable cause-and-effect relationship with the subversive movement unleashed in the country by the Maoist group "Sendero Luminoso."

Also in this first inquiry it was learned that, in answer to incisive questions from the judge, Diaz Martinez detailed little known aspects of his activities as professor of Universidad San Cristobal de Huamanga (Ayacucho). He worked there from 1964 to 1971 and, with some interruptions, until 1980.

During the inquiry Diaz Martinez received counsel from Dr Martha Huatay Ruiz who, in a surprising change in defense, replaced a leftist lawyer and former guerrilla, Gonzalo Fernandez Gasco, at the request of the prisoner's family.

According to what was learned, the provincial district attorney was not at the proceedings held yesterday. At the end of the proceedings, Judge Pedro Mendez commented that the inquiry will continue for several days. He said: "This will be enough time."

It should be pointed out that, in spite of having just been arrested recently, Diaz Martinez was included in a proceeding on terrorism opened by the 16th Court in May 1982. The file is huge; 508 alleged terrorists are involved in the proceedings. Almost 80 percent of the attacks in the country is attributed to them. So far only 50 have been arrested; the rest have not been caught by the police.

Diaz Martinez was wanted at the time of his arrest. Investigations by the PIP [Peruvian Investigative Police] and evidence about his alleged position as leader of "Sendero Luminoso" were accumulated based on the proceedings opened in May 1982.

GRENADA EX-MINISTER RADIX SCORES IDEA OF CARICOM SPLIT

Georgetown GUYANA CHRONICLE in English 16 Dec 83 pp 1, 5

[Text] KENRICK RADIX, a former Minister in the late Maurice Bishop government in Grenada has hit out at attempts by some Caribbean countries to set up Caricom 11 and to exclude Guyana from the regional integration process.

In an interview yesterday with the Guyana News Agency Radix now in Georgetown "resting" and "visiting with friends" after his own "ordeal" in Grenada, said it was not surprising that some Caribbean Leaders were calling "for a new alignment to exclude Guyana."

Prime Minister Edward Seaga of Jamaica, he pointed out, is on record as saying that Caricom does not afford Jamaica the opportunity of generating sufficient trade for the needs of Jamaica and that Jamaica has a continental destiny with mainland USA.

"Mr Seaga's own record in the integration and co-operation process has clearly been expressed on a number of occasions. He has said that the salvation of Jamaica is to the north, meaning the USA, the Dominican Republic and so on, and that countries to the South do not hold any real interest to him," Radix pointed out.

Through the idea of excluding Guyana, Radix added, "Mr Seaga is clearly demonstrating the point that in fact he and his ancestors may not have come on the same ship that the majority of our ancestors took from the continent of Africa and from Asia to come down to these countries as slaves and indentured people."

Seaga, he said, was also clearly demonstrating that "he has come late to the diaspora which would mean that he never had the whip of slavery and exploitation that we the toilers and sufferers of colonialism and neocolonialism have experienced."

It was not surprising, he contended further, that those who have the mentality of the 'merchant gatherer' would look to North American for their Mecca and their salvation.

He was also critical of those whom he said saw themselves as playing a role and function--"particularly Dominica"--as others' mouthpiece.

In Dominica, he said, young people who protested against conditions in that country have been "eliminated" under such guises as "they were resisting arrest" or "they died in shootouts with the police."

"It is not surprising for these sort of people to be calling for a new alignment to exclude Guyana--and, I dare say, to exclude all those other countries bold enough and daring enough to guard jealously the right to independence, non-alignment, self-determination, and the recognition that imperialism is the main enemy of poor and developing countries like our own," Radix added.

In the hour-long interview yesterday Radix and his colleague Goerge Louison former Agriculture Minister in the Bishop government spoke about a number of other issues, including the events leading up to Bishop's death on October 19 and the US-led invasion of Grenada on October 25 and the destruction and economic dislocation on the island in the wake of the invasion and occupation.

CSO: 3298/369

WHEAT HARVEST FIGURES PREDICTED AT 12 MILLION TONS

Buenos Aires LA NACION in Spanish 5 Jan 84 p 16

[Text] The prospect of reaching 12.1 million tons of wheat would make the present harvest second in importance only to the last harvest which reached 15 million tons, the record.

The specialized publication INFORME AGRICOLA made this favorable estimate. It is based on a survey of different areas of the country. The sowing and threshing figures make it possible to anticipate final production figures with a reliable degree of certainty.

Santa Fe should have a major part in this with a total production of 1.7 million tons, harvesting 85 percent of the wheat planted. About 20 percent still has to be harvested in the southern sector where the average is from 13 to 16 quintals per hectare compared to 22 quintals in the central and northern zones.

Production in Cordoba should reach 1.28 million tons. About 95 percent of the wheat has been harvested with an average of 14 to 17 quintals per hectare. The maximum is 40 quintals.

According to the biweekly, Entre Rios shows the greatest consistency with an average of 17.5 quintals per hectare and a final production of 240,000 tons. La Pampa should produce about 690,000 tons with an average of 12.5 quintals per hectare.

Significant variations can be seen in Buenos Aires. About 95 percent of the area harvested in the north (Pergamino, Colon, Rojas, Chacabuco and Arenales) has an average of 14 to 19 quintals per hectare compared to the traditional average of 21. The southern districts show a more positive situation and should achieve an average of 16 to 24 quintals.

Past Figures

The most important records belong to the 1976/77 harvest of 11 million tons and, as was already indicated, the 1982/83 harvest which supplied 15.13 million tons. The details are: 7.41 million hectares planted, 7.32 million hectares harvested and an average of 2,067 kilos per hectare.

In this last harvest, sales abroad totaled close to 10 million tons.

Sales to Brazil

Last November and December Argentina sold a total of 120,000 tons of corn to Brazil at an average price of \$151 per ton. This is considered very good based on current prices in the international market.

The different contracts signed between the end of October and December state Brazil's need for corn due to the fact that its final production was not as good as expected and part of it was exported since a considerable surplus had been expected. Also the sales were based on the system of future shipment with advance payment at a price far below the international price.

Concerning Argentine sales, they were finalized since our country has a debit balance in its trade with Brazil. This permits it to reduce its liability.

Wheat

Also 620,000 tons of wheat were shipped to Brazil based on different contracts signed in December. The average price in the transactions was about \$132 per ton. This demonstrates that a very aggressive policy was followed in order to export. That price is far below the \$146 or \$147 paid in the international market per ton of white wheat and \$154 for long-lasting wheat.

Sources involved in exports were consulted about the modality and appropriateness of this sale. They indicated that only under these conditions can operations abroad be carried out now since the competition of producer countries--mainly the United States--that have long-term financing at low interest for their exports makes the placement of our products difficult.

7717

CSO: 3348/201

GRAIN BOARD RENEWS WHEAT CONTRACTS WITH INDIA, IRAN

Buenos Aires LA NACION in Spanish 8 Jan 84 p 1

[Text] The National Grain Board is working on two sales contracts totaling 1.35 million tons of wheat to India--a former market that has been won again--and Iran, according to Alberto Ferrari Etcheverry, head of the board, today. He stated that this will encourage exports with greater participation by agricultural cooperatives and national capital enterprises.

Deliveries

Ferrari explained that 700,000 tons will go to India and 650,000 to Iran. According to the agreement signed, the deliveries will be made in January, February and March. There is also the possibility of expanding this negotiation with Iran, a country with which a more fluid trade was achieved.

Cooperatives' Participation

He added: "It should be pointed out that the board has had the cooperative movement participate in executing these government-to-government agreements." According to what was announced, the ACA [Association of Agricultural Cooperatives] and the FACA [Argentine Federation of Agricultural Cooperatives] will send the Republic of India 130,000 tons of bread wheat from the Buenos Aires port of Necochea.

"As will be seen, implementation of the policy announced by the national government has begun with that operation." He stressed: "Within the framework of mixed trade without any exclusions, it will encourage greater participation in exporting by the agricultural cooperatives and national capital enterprises."

He continued: "Also trade with the Soviet Union continues normally through a bilateral agreement with that country purchasing about 3 million tons through private enterprises."

The finalized sales to India and Iran are part of the export policy that the national government has decided to undertake. This has had expression in the recent sales of wheat and corn to Brazil under conditions that imply a competitive effort.

FAVORABLE TRADE BALANCE TO HELP RESOLVE FOREIGN DEBT

Buenos Aires LA NACION in Spanish 6 Jan 84 p 14

[Text] The undersecretary of foreign trade, Nestor Stancanelli, who just returned from Rome indicated that Argentina's objective for this year is to obtain a positive foreign trade balance of between \$3 billion and \$4 billion. It will then be able to meet the obligations of its foreign debt.

Stancanelli had gone to Rome to say goodbye to Italian authorities since he had been economic and commercial minister-attache at the Argentine Embassy in that country until 10 December.

In statements to DYN at the Ezeiza international airport, he pointed out that, in accord with the strategy outlined by Minister Bernardo Grinspun, the objective of the policy in this sector will be to "obtain a consistently favorable trade balance."

He explained that the economic authorities foresee that "exports will develop favorably, both in traditional production as well as nontraditional production which will be emphasized."

Diversification

He stressed that the "foreign trade strategy is to lean toward diversification of the structure of exports and diversification of markets."

As to the estimated trade balance for 1984, he indicated that it will permit "the normal fulfillment of obligations and the acquisition of essential goods that the country needs for the development of its productive activity."

Concerning the influence of wheat exports with the harvest for this year estimated at 12 million tons, he noted that it is necessary to consider international prices as well as volume in this case.

Wheat

He pointed out that the international price of wheat has gone down. He stressed that it is necessary in this case "to point out the effect of the subsidy policies of some countries, particularly the members of the EEC and the United States. They unquestionably weaken the international market."

BRIEFS

GRAIN HARVESTING AFFECTED BY WEATHER--Bahia Blanca (Buenos Aires)--The Huan-guelen Agricultural Cooperative reported that it has been impossible to har-vest some 20,000 hectares in the towns of Zentena and Pasman as a result of the serious damage that hail caused in those sectors. It is estimated that the district of Coronel Suarez, to which those zones belong, will lose some 30,000 hectares due to the harm caused by that phenomenon. In that same dis-trict, it was reported that the rate of railway operations to transport the wheat from the recent harvest to the depots at the port of Bahia Blanca has improved noticeably this year compared to the excessive delays and slowness observed in the last harvest. The harvest rate in the fields is steady. It is estimated that the yields will be between 2,000 and 2,500 kilograms per hectare which is considered satisfactory. However, it is predicted that the final yield will be lower than that of the previous harvest. After harvesting almost half of the areas planted with long-lasting wheat in Tres Arroyos, it is estimated that the final results will show a drop of about 15 percent as a result of the lack of rainfall in October and November 1983. [Text] [Buenos Aires LA PRENSA in Spanish 8 Jan 84 p 4] 7717

USSR TO IMPROVE RELATIONS--Moscow, 7 Jan (EFE)--The Politburo of the Communist Party of the Soviet Union called intensified development of relations between Moscow and Buenos Aires "desirable." In its regular weekly meeting, the top organ of Soviet power approved the actions of the Moscow representative, An-tanas Barkaus-Kas, during his recent visit to Argentina to attend the inaugura-tion of the new Argentine president, Raul Alfonsin. Relations between the two countries have developed in recent years through economic and cultural ex-change, particularly. The trade balance is very favorable to Argentina which caused some problems in the trade between Buenos Aires and Moscow in recent times. According to reliable sources, these difficulties could be resolved soon. [Text] [Buenos Aires LA PRENSA in Spanish 8 Jan 84 p 2] 7717

CSO: 3348/201

MP HITS ILLEGAL HAITIAN IMMIGRANTS; NEW ASSOCIATION FORMED

Bahamian-Haitian Group

Nassau THE TRIBUNE in English 12 Dec 83 p 10

[Text]

MADSA, the Movement Against Destructive Social and religious Activities, states in a release that it would like to "publicly congratulate" those responsible for the recent formation of the Bahamian Haitian Association and observes that recognition of the Haitian contribution to Bahamian development is "long overdue."

The Bahamian Haitian Association was officially launched Sunday with principals responsible being Eliezer Regnier and Kendal Demeritte.

MADSA says in its release that for too long these "humble, peace loving, hard working" people, Haitians, have gone unnoticed. "Victimised and exploited because of their political and economic disposition they continue to be used as slaves in our so-called progressive society," claims MADSA.

"Although we realize that there are some groups, namely churches, who work among the Haitian community, they are for the most part left out of the economic mainstream. They are considered to be a nuisance and a drain on social services such as hospitals.

"They are subjected to derogatory remarks and unfair treatment," says the release. It states that Mr Regnier is a "prime example" of what can happen when a Haitian is given equal opportunity in the com-

munity. Mr Regnier, 31, who came to the Bahamas at the age of six, is an attorney at law.

"As a Christian nation we have an obligation to entertain strangers within our gates," says MADSA. "Instead of getting emotional about blacks in South Africa we have an opportunity to demonstrate to the world what true Christianity is all about.

"We must reach out to the Haitians in all levels of our society in order to erode the fear which has kept them 'in the closet' for so long," the statement continues. Haitians are a proud people with a rich cultural heritage it says. "Just look at the way they express themselves in places like Miami, Montreal, Paris, etc."

MADSA maintains: "We see volumes of letters of protest to the treatment of Blacks in South Africa, but little fuss is made over our treatment of Haitians. Human rights is a universal concept, relating to all humans. It should be unbiased in its ministration lest we be found guilty of the very thing we oppose in principle."

The statement calls for Haitians to be considered "equal partners," suggesting that "with their natural skills in agriculture and construction," they should be placed strategically in the planned development of the southeastern islands. "These islands which have been

abandoned by Bahamians could become thriving centres of agriculture towards our goal of self-sufficiency in food.

"With intellectuals in the community such as Mr Regnier, the job of integration and administration could be capably handled," says MADSA. "The fact that Haitians constitute some 40,000 or 20% of the

population of the Bahamas should make our legislators and politicians concerned.

"Our hope is that the newly formed Bahamian Haitian Association is not just another attempt at political exploitation, but rather a genuine concern for the welfare of Haitians in our community."

Immigrant Problem

Nassau THE TRIBUNE in English 19 Dec 83 p 8

[Article by Anthony Forbes]

[Text]

BIMINI MP George Weech declared Wednesday night in the House of Assembly that something must be done to halt the flow of illegal Haitian immigrants to the small northeastern island with a population of between 1,800 and 2,000.

"Bimini just can't take any more," Mr Weech said in his address in parliament during the first day of debate on the \$383.1 million 1984 budget. "If something is not done about this in the not-too-distant future, the little space we have soon won't be there."

Mr Weech said that the infiltration by Haitian immigrants into Bimini was of "grave concern" to him.

He said that one of the major problems with the illegal Haitian immigrants is that they are not the kind of people who put something in a community, but rather destroy the community.

Mr Weech said that the immigrants live in old dilapidated buildings, which have been abandoned, and use out toilets, which are now being got rid of in the Bahamas and live a life style totally different from Bahamians.

He said that the Haitians are also involved in exporting other illegal immigrants from the Bahamas.

Mr Weech was the last speaker to address the House

before debate was adjourned to Thursday morning when Housing and National Insurance Minister Hubert Ingraham spoke.

The debate was originally scheduled to continue until 10 pm but after Mr Weech had finished, House Leader and Deputy Prime Minister told the speaker that it appeared that members were not interested in meeting until 10 pm.

With agreement from both sides of the House, Mr Hanna moved for the suspension of the debate until 10:30 am Thursday.

In his address, Mr Weech, who also represents the Berry Islands, said that while he can boast of sporting abilities of the youth of Bimini, they lack the facilities to entice them to further excellence in sports.

He said that his constituents are ready for self-help programmes to assist them in obtaining the facilities but hoped for a little more help for sporting facilities in the budget in years to come.

On the question of drug abuse, Mr Weech said that it is quite fitting at that time that something be done about the problem of young people using drugs to the detriment of themselves and the country.

"I don't believe that they have turned to drugs because they can't find jobs ... they are not into fishing either," he said, appealing to the Minister of

Health to look into this very serious matter.

"We need seriously to address ourselves to this trend which the young people have taken, especially abusing themselves with drugs," declared the Bimini-Berry Islands MP.

Mr Weech said that nevertheless he looks forward to a new beginning in 1984 despite the fact that the road may be rough.

He said he had seen improvements in his constituency last year although it was not what he could boast about. He added that there are other areas in the country that needs attention also.

Mr Weech said that Bimini has been neglected quite a bit in the past. He hoped that, if only by his presence in parliament, some more would be done for Bimini.

He also said that there has been much neglect in the areas of garbage disposal and road work, although some repairs are being done.

Also speaking was Deputy Speaker and St Michael's MP George Mackey, who said that he was happy that provisions have been made to assist those who are unemployed.

He also reminded the House that years ago a plan was afoot by government to do something about roadside garages.

He said that although faced with opposition, even from

within the PLP, there have been complaints made by residents of his constituency that the situation has got out of hand.

He said that some roads have become virtually impassable because of the number of cars abandoned or being repaired alongside the streets.

He also said that it creates an unsanitary condition and renders the land "barren for eternity" because of the oil and other fluids that leak out of the cars.

Mr Mackey admitted that his was an unpopular stand to take, but he believes in doing the greatest good for the greatest number of people.

Call for Action

Nassau THE TRIBUNE in English 19 Dec 83 p 8

[Article by Marcia Bethell]

[Text]

CHARLES Carter (PLP-Holy Cross) suggested Thursday that the time had come for Government to begin serious dialogue again to try and "wrestle" the problem of Haitians in the country before it gets out of hand.

Mr Carter, mentioning that there are a number of farms located in his constituency on which the Haitians are employed, said that although the migration of these people into the country has ceased, thousands of them are here and they may create a problem.

"I suggest that before it becomes a problem we cannot handle, all of us should sit down and come up with a solution. I think that we will begin to have more stronger views from Bahamians about the Haitians in our country," Mr Carter said during the House of Assembly budget debate.

Mr Carter said that although the Haitians are employed in jobs Bahamians are not particularly interested in, he feels that they could create a problem for the Bahamas as far as employment is concerned when one thinks about the

capital money earned by them.

Mr Carter also stressed that the large number of Haitian immigrants here use the social services, such as hospitals and schools.

"I suggest that in 1984 we renew dialogue of the problem before it causes a boiling pot in the community."

Mr Carter mentioned the problem of unemployment and said he was assisting many people in his constituency to get jobs. He said he was very happy that the new Cable Beach Hotel has helped the unemployment rate and mentioned that a large number of people from his constituency are employed at the hotel.

Mr Carter also said that drugs have become a "deadly plague, a scourge" in the country. He said that very few Bahamian families are immune from this scourge and that the government should spare no efforts in "sensitising" young people about the dangers of drugs.

He suggested that 1984 be the year that a programme be established to inform young people about the dangers and assist them in dealing with the addiction.

BRIEFS

MINISTRY BOMB SCARE--MINISTRY of Works employees were forced to evacuate their JFK-Drive building following a bomb scare this morning. According to an employee, a man with a Jamaican accent telephoned the Ministry at about 1:25. He said: "Listen to me and listen to me good. This is I, I don't want anyone to get hurt. Ask everyone to leave the building. A bomb is planted on the third floor." The caller did not say when the bomb was scheduled to go off. However employees were immediately evacuated and the police called. The building was searched and shortly afterwards the all clear was given for employees to return. [Text] [Nassau THE TRIBUNE in English 20 Dec 83 p 1]

PERSONAL STAFF FOR PINDLING--DEPUTY Prime Minister A D Hanna yesterday tabled a Bill in the House of Assembly to establish a personal staff "to the office of Prime Minister" and to pay them from "monies provided by Parliament." The Act, cited as the Prime Minister's Personal Staff Act, 1983, proposed that a head butler, head cook, cook, maid, launderess, gardener, administrative assistant and personal assistant be employed. If the Bill is passed then, subject to section 4, the Prime Minister has the power to make appointments to the offices and positions specified in the schedule and to remove and to exercise disciplinary control over persons holding or acting in any such office or position. It will also require that the Provisions of Public Services Act be applied to all persons appointed to the offices or positions specified. Because of this the Prime Minister will be given the power vested in the Public Services Act to deal with all persons holding the specified positions. [Text] [Nassau THE TRIBUNE in English 8 Dec 83 p 1]

CSO: 3298/374

PUP, UDP POLITICAL ACTIVITIES REPORTED, ASSESSED

UDP in Orange Walk

Belize City THE BEACON in English 24 Dec 83 p 5

[Text]

THE UDP convention in Trinidad, Orange Walk District on Sunday 18th December must have sent shock waves through the hierarchy of the PUP when spies of that area's representative reported to Minister of Trade, Guadalupe Pech, that some 1000 UDPs were gathered at that Village to mark the opening of the UDP initiative.

Coming as it did, on the heels of the City Council victory, the reports have reportedly upset the Xmas plans of PUP planners.

Significantly, this massive crowd gathered one week before Xmas, a time when people generally are more concerned with Yuletide preparations than with party politics.

The convention got the full support of the UDP as Party Leader Esquivel, Opposition Leader Thompson, Party Chairman Dean Lindo, Secretary Aragon and Director of Organisa-

tion San Perdomo participated in this historic event. Newly elected City Fathers Gustavo Bautista, Rodwell Pinks, Carlos Castillo and Frank Lizama were also on hand as participants. Members of the Orange Walk North executive also gave moral support to the contiguous constituency.

Three candidates contested the seat to be the standard bearer of the constituency for the General Elections in 1984. John Blanco of Yo Creek, Antonio Caliz of San Felipe and Onesimo Pech were the chief participants in this drama.

Pech emerged the winner with 358 of the 770 votes cast, Caliz was second with 292, Blanco received 114 and 6 votes were spoilt.

Both candidates praised the democratic conduct of the elections, and pledged support to Pech. Caliz referred to the event as a new page in UDP history. "Orange Walk

South, like the rest of the country, is ready for a change and will move from strength to strength," he said.

Candidate Pech for his part anticipated unison and integration in the new UDP movement.

"A cement foundation is being laid which neither sea nor hurricane can move" he intoned.

He invited all UDP's to join in the hard work that will be required for victory.

It is to be noted that the present voters on the voters' lists for Orange Walk South consist of 1849 persons. The 770 electors at the convention is obviously an excellent start.

PUP Rally

Belize City BELIZE SUNDAY TIMES in English 25 Dec 83 p 32

[Text] Conforming to tradition, the People's United Party held a post-election rally on Monday, Dec. 19 at the Court House Plaza. The PUP, which lost the City Council elections of Dec. 14, expressed its appreciation to the people who came out to vote for the party on election day.

The speakers included the candidates who ran for office, Prime Minister the Rt. Hon. George Price and other ministers.

The speakers thanked the campaigners, organizers and all supporters in the recent City Council elections. They committed themselves to the task of working harder to advance the party's political process.

The rally, despite a threatening rainy sky, was well attended.

The People's United Party will now dedicate itself to the organization of a campaign machine for next year's national elections.

Attack on PUP's Silky Stewart

Belize City AMANDALA in English 30 Dec 83 p 12

[Text] BELIZE CITY, Thurs. Dec. 29
Our sources indicate that the desperate PUP government will again unleash the infamous Mad Dog - Silky Stewart - on the unsuspecting public in 1984.

Stewart, who had been masquerading as a religious minister on the instructions of his mentor - Minister of Police C.L.B. Rogers (Teapot) - blew his own

cover on City Council election day when he joined up with Justice of the Peace Ray Lightburn to bait Shubu Brown. Stewart also loudly challenged spectators at the Pound Yard gas station to a thousand dollar bet on the outcome of the election. His behaviour there suggested that he may now be hooked on heavy drugs.

Shubu Brown is one of four UDP supporters shot down in Central Park by Silky Stewart in 1975. While free on bail, Stewart, who was then described as a "good PUP soldier" by PUP Leader George Price, skipped the country after "some-how" managing to obtain his confiscated passport out of the magistrate's office.

Stewart returned home after independence on the advice of PUP leaders and was charged \$300 for each of his four victims and released without even being placed on probation.

With the PUP now in trouble, Stewart has reappeared on the political scene.

We think the police should expect members of the public to defend themselves from this armed and dangerous man. Stewart's record is not that of a man of the cloth or of peace. Tensions, political and otherwise, rise when the "Reverend" Stewart is around.

CSO: 3298/377

PUP LEFTWING SEEKING CABINET SHIFTS IN SPLIT WITH RIGHT

Attack on Rogers

Belize City AMANDALA in English 23 Dec 83 p 1

[Text] BELIZE CITY, Thurs. Dec. 22--Our sources say the PUP left wing ministers--Health Minister Assad Shoman, Attorney General Said Musa, and Minister of State Harry Courtenay--are demanding a reshuffle of the Cabinet in January.

Health Minister Shoman is reported to have declared that Home Affairs Minister C.L.B. Rogers, who controls the army, police, and civil service among other things, has brought a lot of heat on the party and, because of his unelected status, should not be allowed to continue to hold such a powerful portfolio.

As was front paged last week in this newspaper, the left also wants Energy Minister Louis Sylvestre, whose blackouts the left blames for the City Council disaster, to be relieved of all ministerial duties.

Our sources say that the right wing of the PUP, for all intents and purposes, is now only "Cous" and Works Minister Fred Hunter at the Cabinet level. Our sources discount Joe Briceno: he is on his way out, they say.

Trade Minister Guadalupe Pech and Labour Minister David McKoy are reported to be experiencing health and political problems and are considered nonentities at this time.

Both Rogers and Lands Minister Florencio Marin are said to be supporting Party Leader Price in whatever he does.

The overall picture is one of the PUP left on the attack, the right defensive and the Price faction vacillating.

There is a PUP middle level faction led by former party secretary Mark Cuelar, former city mayor Erle Ferguson, and former City Councillor Harry Lui which is pleading with Sylvestre to take the bull by the horns, to stop the raging tide of "communism" in the party, but the so-called Democratic Direction of the left appears to be better organized.

Mutual Recriminations

Belize City DISWEEK in English 23 Dec 83 p 4

[Article by Stewart Krohn]

[Text] Barely a week after it's crushing defeat in the Belize City Council elections, the People's United Party, for the first time in its history, is displaying something very close to panic. The party is no stranger to municipal defeat, particularly in the treacherous arena of Belize City, but the magnitude of the UDP's margin has given even the most stalwart government supporters a good case of the "What If's".

The next several weeks--what would otherwise be a joyous holiday season--will become a period of important maneuvering with the PUP ranks. Analyses will be performed, scapegoats ritually slaughtered, trial balloons floated--and many shot down. Above it all will sit the Prime Minister and Party Leader, by his own choice alone and without counsel.

Mr. Price will be forced to listen to virtually the same pleas and arguments that have been made to him regularly over the past five or six years. The Right will blame the party's troubles on Shoman and Musa, the "Democratic Direction", disweek, and the failure of the government to faithfully follow the Reagan line in regional affairs. Their prescription will be to read the troublemakers out of the party once and for all, rekindle the PUP discipline of the 60's and hop on Reagan's Caribbean bandwagon.

The Left will point the finger at Louis Sylvestre, first in a practical sense for the intolerable situation of blackouts, which is widely believed to be the greatest single cause of voter dissatisfaction, and secondly as a symbol of the laxness, incompetence and rot which has infected the PUP at all levels. The Left will agitate for Sylvestre's removal from the Cabinet as well as his post as Party Chairman.

George Price, after listening patiently to post mortems from a hundred different sources will have to choose one of the three different alternatives: that is, he can ride with the Right, ride with the Left, or continue to let the party drift chaotically as it has done for the last several years. Ironically, each one of these paths, it can be argued, is a prescription for certain failure.

Good reason, then, for panic.

Like a general whose once powerful army has just lost its first battle, it is up to the Party Leader to regroup his demoralized troops and mold them once again into a potent fighting force. How can he do it? The cold heart and unemotional head of a columnist who was once a political scientist recommends the following:

1. Restore Party discipline.

What made the PUP so successful in the past is that it spoke with one voice--that of George Price. Such must become the case again. Ideally the the

Party's splinter newspapers--the Tribune, Voice and disweek--should be closed down by their respective ministerial bosses. If this is not possible, then the three papers should at least be brought to heel and forced to report non-political news and features--with editorial policy carefully coordinated from the top. Emory King and/or Glen Godfrey should be recruited to run the Belize Sunday Times and it should take its place as the primary mouthpiece of the PUP.

2. Sylvestre must go.

As any parent knows, the only way to enforce discipline is by example. It has been 20 years since he was expelled from the Cabinet for unbecoming conduct and during that time Cous has not cleaned up his act one bit. Too many black-outs, block-ups and rip-offs have made Louie an embarrassment, not only to the Party but the country as well. The question is not whether Cous goes, but how far. A mere Cabinet shuffle may not be enough. Better to put him out of that body once and for all and bring in a Senator to take over his office in Belmopan. Alvan Fuller would be idea. As for the Party Chairmanship, I'd be inclined to avoid the bloodshed of a special convention, let Sylvestre keep his title and appoint someone as Party Secretary who will, in fact, serve as Chairman in all but name. Homero Escalante or someone of his calibre is a must.

3. Change the product, not just the pitch.

Suggestions one and two deal largely with the Party's appearance; the problem, however, is one of substance. In the long run, the PUP, to win re-election, must improve its performance in government. Whatever the glories of its past, no matter how much of Belize's woe can be attributed to outside forces, the last four years have seen the country's fortunes decline to the point where the reasonable voter may well conclude that, purely for economic reasons, it is time for a change. It may not be possible to turn the country around in the next 14 months, but at least a start could be made toward formulating a development strategy, for example, that is a bit more specific than "the mixed economy". In short, there's got to be less political profiling and more performance.

CSO: 3298/375

BAUTISTA, PINKS ELECTED NEW LEADERS OF BELIZE CITY

Electoral Meeting

[Text] Belize City has a new Mayor. He is 54 year old Gustavo Bautista, a licensed surveyor with Town Planning experience who has served the Government for more than 32 years in the Survey and Lands Department.

Mr. Baustista's election came by unanimous vote last Wednesday night at City Hall during the inaugural meeting. This was presided over by Mr. Wally Brown, Permanent Secretary in the Ministry of Local Government, who deputized for the Minister, Mr. Eljio Briceno.

Mr. Rodwell Pinks was also elected by unanimous vote to the position of Deputy Mayor.

In a formal statement preceding the election the Permanent Secretary said he was authorized to say that the Ministry of Local Government and Social Security looked forward to working and co-operating with the new City Council but warned that the task in hand is formidable and that there would be fierce battles ahead. "But they will be friendly battles," he added.

Councillor Dean Barrow replied to the statement of the Minister. He thanked the Permanent Secretary for his graciousness and for the congratulations which he offered to the newly elected Councillors. He said he particularly welcomed the promise of co-operation for the improvement of Belize City.

After the elections his Honour the Mayor took his seat at the head of the table and immediately announced a number of sweeping changes. He gave formal notice that he was calling a special meeting of the City Council for a motion seeking approval for the appointment of Standing Committees, Commissioners and Departments within the Council to bring into force a new expanded system of City government. He announced that a proposal will also be introduced at this meeting to amend the Standing Orders of the Council to allow newly elected City Councillors to take the oath of office.

Mayor Bautista also announced the City Council's intention to re-introduce the five-day week for its working staff. An earlier UDP Council had introduced the five-day week and had achieved substantial success with it. But when the PUP Council took over in 1979, it abolished the system and required employees to return to work for the half day on Saturdays.

"I have requested Councillor Dean Barrow, Commissioner Designate for Personnel to undertake an urgent study on this subject," the Mayor announced, "so that the Council may have the benefit of their findings and recommendations when it deals with the matter on January 10."

Apart from the Standing Committees which are already a part of the City Council administrative machinery, Mayor Bautista said the Council proposed to set up four new Departments--one for Finance under Councillor Philip Goldson, one for Works headed by the Deputy Mayor, Rodwell Pinks, one for Personnel to be headed by Councillor Dean Barrow and one for Health and Environment to be headed by Councillor Derek Aikman. These Departments will work closely with the Mayor but will have decision-making powers under the new City Council regulations soon to be enacted.

One of the issues which will engage the full attention of the Council in the days and weeks ahead, Mayor Bautista said, is to devise a formula which is fair and workable, which will index the amount of subvention which the City Council receives annually from the Central Government to the amount of property tax the Central Government would be expected to pay on its real estate holdings in the City. Once such a formula could be agreed on, he said, it could be used to measure the amount of subvention that other town boards were entitled to receive.

City Hall was crowded for this inaugural meeting, and the Permanent Secretary Mr. Wally Brown was applauded when he announced that the Ministry of Local Government intended to co-operate and work with the new administration at City Hall.

New System of Government

Belize City THE BEACON in English 31 Dec 83 p 2

[Text] MR Walter Brown, Permanent Secretary in the Ministry of Local Government and Social Security, Senator Manuel Esquivel, the Hon. Curl Thompson, Leader of the Opposition, Deputy Mayor, City Councillors, invited guests, ladies and gentlemen; I take this opportunity to thank the Permanent Secretary for presiding at this first meeting of this City Council to elect a Mayor and Deputy Mayor.

In the United Democratic Party Manifesto for the City Council elections held on 14th December, 1983 the Party promised a new system of City Government if elected to office.

I quote from the said Manifesto:

"The UDP City Council will establish a new expanded system of City Government. Under this modern system of government, four city departments under Councillors as Commissioners or department heads will be established. These are:

1. The Commissioner of Finance who heads the Department of Finance.

2. The Commissioner of Works and Equipment who heads the Department of that name.

3. The Commissioner for Personnel who heads a department looking after that welfare and training of the City's employees.

4. The Commissioner of Health and Environment who heads that department. The Commissioners will form with the Mayor a consulting Cabinet to formulate policies and plans and direct the efficient implementation of the Council's decisions."

The Commissioner of Finance will be the Honourable Philip Goldson.

The Commissioner for Works will be the Deputy Mayor, Mr. Rodwell Pinks.

The Commissioner for Personnel will be City Councillor Dean Barrow.

The Commissioner for Sanitation, Health and Environment will be City Councillor Derek Aikman.

The necessary resolutions appointing the Cabinet, Department of Finance and other Committees to be standing Committees under the provisions of Section 102 of Chapter 135 of the Laws enabling them to exercise the powers of the Council in the areas of responsibility delegated to them shall be proposed at the next meeting of the Council or as soon as possible thereafter.

The electorate of Belize City has given this City Council a mandate to run the affairs of the City and this is what this Council shall do with honesty, integrity and hard work.

At the moment the Central Government does not pay city taxes on government owned buildings. Instead they pay a subvention to the City Council. But the amount they pay is decided by them without rhyme or reason.

The UDP will insist that a formula must be worked out between government and the City Council that will determine the subvention based on principle rather than prejudice. Once this formula is worked out, the same principle can be applied to the District Town Boards and then, only then will the true process of democracy be maintained and enhanced.

Every Belizean loves Belize and every Belize City Belizean loves Belize City. So let us put aside pettiness, let us put aside prejudice, let us put aside party jealousies, let us instead put our shoulders together and work together to create a new society where freedom, justice and equality will prevail.

Challenge to New Regime

Belize City THE BEACON in English 31 Dec 83 p 2

[Editorial]

[Text] BELIZE City begins the new year, 1984, with a new City Government installed at City Hall. We offer our congratulations and best wishes for a successful administration to His Worship Mayor Gustavo Bautista, Deputy Mayor Rodwell Pinks and City Councillors as a whole.

At the inaugural meeting of the Council on Wednesday, Mayor Gus took immediate steps to implement the manifesto promises under which the United Democratic Party won its great victory on December 14.

He named the four Commissioners who together with him will form the Consulting Cabinet to govern Belize City during the next three years. Although these appointments will not be formalised until the necessary resolutions are passed at the first business meeting in January 1984 it is a happy beginning, a promptness which augers well for the future.

The new councillors pledge to lay the facts before the people as soon as possible. A financial report and an inventory of the Council's assets will tell the people the state of their city and help them to understand the nature of the problems the new City Fathers will have to cope with.

We believe that they have inherited a bankrupt treasury--how bankrupt remains to be seen.

The new City Government must, therefore find money and find it fast. There are two main sources of funds to run the city. The first is that of the taxpayers of Belize City. The second, is the subvention paid by Central Government to the city. At present, eighty per cent of the revenue comes from the taxpayers and twenty per cent from the Government, yielding some two million dollars a year. This is not enough to run a city of the size of Belize City.

We have no doubt that our capable councillors will be able to persuade Central Government to do its duty in helping to provide a suitable revenue for our city. We, the voters and citizens must therefore do our share NOW, by paying up our taxes, especially arrears of taxes. Let us not put our new City Government in the position where they have to plead with us or sue us in order to get the money to run the city properly. Let us start the new year by paying up, even if by instalment, so that before long we can all hold our heads high and proclaim ourselves to be good citizens of this beloved old city of ours.

CSO: 3298/375

PUP PENALIZES CITY FOR SUPPORTING UDP, 'STEALS' EQUIPMENT

Belize City THE BEACON in English 24 Dec 83 p 1

[Text] THE PUP Central Government in Belmopan, which controls the country's treasury, is bent on victimising the citizens of Belize City for voting solidly for the UDP in last week's City Council elections.

Within a day after the results of the elections were formally announced, the Ministry of Works began the mass transfer to the P.W.D. compound of trucks, heavy duty vehicles and other equipment used by the City Council for years, and which are considered essential to the running of the city's street repair programme.

The Minister of Works has also ordered the removal of desks, chairs and other office equipment from City Hall and the Mayor's office, which he reportedly claims were on loan to the PUP council recently ousted out of office.

The mass withdrawal of vehicles and furniture from under the control of the newly appointed UDP council has been aided by the Minister of Local Government. Traditionally, selection of the new Mayor and Deputy Mayor and the seating of the new City Council are held within a week after elections. But the ceremonies have been put off until next eweek for the sole purpose of allowing the Minister of Works, who obviously has the approval of the Cabinet, to complete the rape of the City Council and the good people of Belize City.

The whole exercise is an organised campaign of institutional violence and community victimization against the City of Belize, whose city fathers will be hard put to conduct the business of the City Council without the necessary tools.

Furthermore, the politicians in Belmopan, led by the Prime Minister himself as Minister of Finance, can be predicted to withhold thousands of dollars in subventions from the UDP council, that will operate to make its job even more difficult. They have done this with successive city councils and town boards with UDP governments.

Already the city's street repair programme has slowed down to a snail's pace, and it can be expected to grind to a screeching halt by the time the new UDP council takes office next week. The UDP will be forced to hold full scale discussions with the Canadians, to keep the show on the streets.

It is a known fact that Belize City has never been one of George Price's priorities. When experts from Britain attempted to discourage him from building Belmopan and improve Belize City instead Price was among the first to balk. When asked what would happen to Belize City, he said that it would be left to die! All this is contained in an official report in Belmopan, that has never been released to the public.

The PUP Government obviously believes that by victimising the whole of Belize City, it will make the UDP look bad.

But this is a new era in Belizean politics. Belizeans realise that the trucks, stone crushers, shovels, picks, rakes, machetes, desks, chairs, typewriters and adding machines are not the property of the politicians. They are the property of the People!

If the PUPs are hoping to make the UDP look bad and steal a political step in the campaign for next year's general elections, they have another guess coming!

They will find themselves harder hit in 1984 than they were this year.

CSO: 3298/376

COURT UPHOLDS VOTER REGISTER SECRECY; PUP FRAUD CHARGED

Chief Justice's Ruling

Belize City THE REPORTER in English 25 Dec 83 p 1

[Text] The Chief Justice of Belize, Mr. George Moe has ruled that a failure by the Minister of Home Affairs, Mr. C.L.B. Rogers back in 1981 to lay on the table of the House new regulations governing the registration of voters had the effect of invalidating the entire body of regulations contained in the Statutory Instrument No. 73 (1981).

The ruling means that the mandamus action, brought to force the Chief Elections Officer, Mr. Roy Young to throw open the register of electors for inspection, has been thrown out, and the register with its evidence of photographs and names, remains closed to the public.

In his judgement the Chief Justice said that the voiding of the Regulations was enough to dispose of the Mandamus action before him. But he went on to state that even if the Regulations contained in the 1981 Statutory Instrument had been valid, in his opinion it did not confer the right to copy the information contained in the binders, that is, the portion of the electoral register containing the photographs of voters to correspond with the given names.

Mr. Moe referred to the Rules which accompany the Representation of the People Ordinance 1978 and in particular to Section 67 which states that when a document is made available for inspection, any person may make a copy of it or take extracts from such a document. This rule, he said, applied to a different set of circumstances and should not be interpreted as conferring the right to inspect the Binders of Registration Record Cards.

Lawyers for the petitioners, anticipating that the procedural presentation of the 1981 Statutory Regulations would be corrected, argued that the right to copy information was inherent in the right provided by the Regulations. But the Chief Justice did not concede this point ruling that the word "inspect" meant to look at, not to copy or to photograph.

The lawyers for the petitioners have twenty-one days to decide whether they want to appeal against the ruling or not.

Slap at PUP, DISWEEK

Belize City THE BEACON in English 31 Dec 83 p 2

[Text] The People's United Party has had a history of committing fraud at election time.

Elito Urbina of Orange Walk bawled foul when Joe Briceno was given 200 party tickets to his fifty to the nominating convention. Briceno won as it was ordained.

When the same thing was done at San Ignacio, incumbent Hector Silva did not even contest against Shoman.

The Albert Division convention to select representatives was called an hour earlier than scheduled. Those who came in on the wrong end of this fraud could only beat their breasts and cry foul. But it was too late.

At the party convention held at Civic Centre on 29th May, the communist wing of the PUP loudly claimed that they were robbed. They accused even the Prime Minister of collusion in the fixed and fraudulent election.

The UDP complained that the 1979 elections were stolen. They pointed to the difficulty voters experienced in marking their Xs on the chemically treated ballot papers. Some people believed; some did not.

Then came the startling and revealing statement attributed to the PUP communist newspaper disweek of the 23rd December. Mr. Price is quoted on its front page as saying, "We must know which one to win." The inference is obvious: only one who can rig and "connive" elections can know which one to win.

So now we have it from the horse's mouth. We know that the truth would have eventually reached the public. We have it from the High Priest himself. There can therefore be no doubt.

[Editor's Note: The 23 December page 1 DISWEEK story referred to above reads in full as follows:

"In the aftermath of the P.U.P. defeat at the polls in last Wednesday's City Council elections, the party leaders and rank and file workers of the movement have been engaged in an intensive soul-searching exercise.

"Party workers have been expressing their opinions freely and have been making it known to the leadership exactly how they feel.

"The UDP leaders, on the other hand, have been basking on the beach of success. Opposition Party Chairman, Dean Lindo, was overhead to say, 'If we had put 9 picarries, the UDP would have won.'

"Meanwhile, at a post-election rally, Prime Minister George Price said: 'We must know which one to win.' So the battle is formed for the 1984 general elections."

Charges Against PUP Mayor

Punta Gorda TOLEDO STAR in English 1 Jan 84 p 1

[Text] IN CONTRAVENTION of the Standing Regulations of District Town Boards, the P.U.P. Mayor of Punta Gorda, Mr Leigh Usher arbitrarily directed the Town Clerk, Miss Norma Martinez, not to invite duly elected Town Board Members by circular to the election of Mayor and Deputy-Mayor which was held on December 28th. In a calculated, un-democratic move to keep the T.P.P. Councillor (Clifford Avila) from attending, the PUP Members were summoned by word-of-mouth to re-elect puppet Usher as Mayor, and opportunist Martinez as Deputy-Mayor.

D.O. INVOLVED and the TOWN CLERK Excluded.

In order to give the election a semblance of legality, Mr Usher requested the District Accountant Mr Edmund Zuniga to preside the meeting; but excluded the Town Clerk Miss Norma Martinez from recording the minutes of the meeting; and most flagrantly prohibited her from requesting the presence of the T.P.P. Councillor, Mr Clifford Avila to cast his vote, as a duly elected member of the Board.

UN-DEMOCRATIC & ILLEGAL

It appears to be the custom of Mr Usher to conduct the re-election of Mayor and Deputy-Mayor in a most unwarranted manner. Last year, it was carried out in the old Rice-Mill building, and the Town Clerk was also kept out. Clearly, these elections have not validity. BUT PRICE SUPPORTS these sort of things!!

PUP Drive for Hegemony

Punta Gorda TOLEDO STAR in English 1 Jan 84 p 2

[Editorial]

[Text] THE People's United Party is fighting tooth and nail to consolidate the one-party-system in Belize and this is extremely dangerous for our people. It will deny us the privilege of testing other views and correcting an unbridled lust for permanent power, which in turn succumbs the population to a de-humanized state.

Some PUP Ministers allow themselves to be used as vehicles in the propagation of Price's personality cult and the canonization of the P.U.P., because the Party allows them to make money, and more money. Others think they can use it to introduce Communism into Belize; but the most pathetic ones are those like a fanatic Minister who spoke in Punta Gorda on Thursday night, clearly duped by Price into believing that Price really means what he says about Guatemala, and a Senator who (also duped) believes that Price is the only leader Belize could have.

With persons like those in the P.U.P. Government, whose sole political objective is to slander opposition parties; and to praise Price, we have nothing to gain economically except to witness the veneration of a Party and its High Priest.

Therefore, it is of paramount importance for our freedom loving Belizeans, and who are in the majority, to cause an unquestionable change of Government at the next General Elections. CHANGE THEM!

CSO: 3298/376

RUMORED THEFT OF DEFENSE FORCE ARMS UNCONFIRMED

Belize City THE REPORTER in English 25 Dec 83 p 4

[Text]

BELMOPAN authorities have been asked to confirm or deny a report which said that a group of aliens disguised as members of the Belize Defence Force had actually entered into Government House in Belize City for the purpose of stealing BDF arms and ammunition which were being stored there.

Asked to confirm or deny the story which was reported earlier this week, the Chief Informa-

tion Officer told the REPORTER Wednesday.

"The Police say they have no report on such an incident."

According to the Labour Beacon report a small group of men, later identified as Nicaraguans, had disguised themselves as BDF men to enter Government House. The men were apprehended as they tried to make off with a number of weapons reserved for the use of the BDF, and which were

stored at Government House.

The Labour Beacon insists that it has good authority for saying that the report is true, but the REPORTER has not been able to confirm any of the details.

Government House has been unoccupied since the departure of the last Governor of Belize Mr. J.P. Hennessey, and the new Governor General, Miss Minita Gordon, has not chosen to occupy the premises.

CSO: 3298/377

PROGRESS IN UNION TALKS WITH ELECTRICITY BOARD NOTED

Belize City THE REPORTER in English 25 Dec 83 p 4

[Text] The dispute between the Belize Electricity Board and the Belize Energy Workers Union will not be resolved before the end of the year as so many had hoped. But some progress was made this week as the Electricity Board put forward its case before the three-man Arbitration Tribunal following a week-long recess.

Mr. L.M. Browne, Chairman of the Tribunal, informed the REPORTER that the Tribunal will make no comment on any aspect of its hearings and that all matters discussed would be kept confidential until the tribunal arrived at its conclusions. He did confirm that last Tuesday's meeting had taken place as expected and that the Tribunal had met in private following presentation of the

Board's case.

It is now expected that the verdict of the Arbitration Tribunal, which will be binding on both sides, will not be ready before the middle of January, 1984. This report, when complete, will be presented to the Minister of Energy and Communications, as the person in government responsible for the Belize Electricity Board.

Developments with the concrete platform which is to be the foundation for the new 18 cylinder Ruston generator received a setback this week when it was found that the bolts imbedded in the concrete to accept the base of the generator were out of alignment.

The discovery not only delayed assembly of the generator; it also meant that the heavy metal base had to be

transported to the BSI machine shop in Orange Walk for re-boring of the base to correspond with the bolts. Reports say the Board had to employ a crane, fork lift truck and a low-boy trailer truck to transport the two-ton metal base to Orange Walk for the required work.

The new setback is expected to delay the start of installation on the new Ruston generator at Magazine Road for at least another week.

Meanwhile the Mexican turbo-jet generator, nicknamed Dinosaur, continues to guzzle diesel fuel at the rate of 11,000 to 12,000 gallons every 24 hours, and Board authorities are said to be anxious to end the arrangement which requires them to pay \$55,000 U.S. a month in rental fees.

CACEX ESTABLISHES CREDIT LIMITS FOR EXPORTS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Jan 84 p 27

[Text] Rio de Janeiro--In Rio de Janeiro yesterday, CACEX [Foreign Trade Department] announced the principal products--out of a list of hundreds--that will qualify for financing in connection with production for export this year under Central Bank Resolutions No 882 and No 883, the total value being 1.8 trillion cruzeiros.

Financing will be granted to producer-exporters or exporters (trading companies) on the basis of how well the listed products sold on the foreign market last year. The percentage granted will be based on the value of a firm's exports.

The list includes many products on which the previous percentage was higher than the current one, while the percentage applying to others has been simply reduced to zero, examples being crude soybean oil, sugarcane molasses, and orange juice. According to Carlos Viacava, CACEX had already said that the percentage on many products would be cut to zero because they do not need financing--they already have a fluid and assured market abroad.

Carlos Viacava also said it would be "necessary to manage very carefully" the total resources allocated to exports this year (about 4.5 trillion cruzeiros this year, compared to 2.13 trillion in 1982) so that the country will be able to achieve the \$9 billion surplus in its trade balance for the current year.

Here are the products listed by CACEX, followed by the previous and the current rate applying to each. Bananas, coconuts, avocados, grapes, and mangoes: 0 percent, 10 percent; fresh forequarters of beef: 8 percent, 5 percent; special cuts of beef: 20 percent, 15 percent; frozen forequarters of beef: 8 percent, 5 percent; special cuts of frozen beef: 20 percent, 15 percent; rooster, fryer, and hen meat: 30 percent, 20 percent; legumes and vegetables: 15 percent, 15 percent; crude soybean oil: 7 percent, 0 percent; peanut oil: 22 percent, 15 percent; margarine and lard substitutes: 15 percent, 10 percent; carnauba wax: 22 percent, 15 percent; sugarcane molasses: 8 percent, 0 percent; orange juice: 15 percent, 0 percent; cocoa butter: 15 percent, 5 percent; chocolate: 22 percent, 20 percent; soy bran: 7 percent, 0 percent; sawnwood: 5 percent, 5 percent; synthetic and artificial textiles: 15 percent, 15 percent; woolen tops: 22 percent, 10 percent; footwear with soles: 30 percent, 15 percent; footwear

with soles of natural leather: 30 percent, 30 percent; iron and steel: 22 percent, 10 percent; coils for rerolling: 15 percent, 15 percent; crude aluminum: 15 percent, 0 percent; aluminum alloys: 15 percent, 0 percent; vehicles and automobiles: 15 percent, 15 percent; ships: 22 percent, 20 percent; aircraft: 22 percent, 20 percent; and arms and ammunition: 22 percent, 20 percent.

11798

CSO: 3342/51

MALUF ON LATIN AMERICAN RELATIONS, DEBT RENEGOTIATION

Rio de Janeiro MANCHETE in Portuguese 7 Jan 84 p 16

[Interview with presidential candidate Paulo Maluf by Henrique Goldman in New York; date not specified]

[Text] Following President Figueredo's African statements and the announcement in the United States of Ulysses Guimaraes' candidacy for president, it is now the fashion--or a political strategy--to make statements directed at Brazil from abroad. This time it was the turn of presidential hopeful Paulo Salim Maluf, who was in New York for a meeting with UN Secretary General Javier Perez de Cuellar. While there, Maluf made important exclusive statements to MANCHETE, although he avoided talking directly about domestic politics. Among other things, he discussed Latin America, the economic crisis, the Arab question, redemocratization in Argentina, and direct elections.

MANCHETE: Did you come to New York as a federal deputy or as a candidate for president?

Maluf: As a federal deputy, absolutely. I consider it extremely important for all Brazilian congressmen to maintain contacts of this kind. Brazilian issues must be discussed from an overall point of view. We need to have a broad view of the world. If we stay locked up in our offices, that will never be achieved.

[Question] What did you talk about during your meeting with Secretary Perez de Cuellar?

[Answer] We exchanged views on matters concerning Brazil and the world. Being Peruvian, Secretary Perez de Cuellar shares my special interest in Latin America, and our discussion revolved chiefly around that subject. My conclusion is that in today's situation, Latin America must integrate to keep from giving up.

[Question] And how would you solve that problem?

[Answer] First of all, by establishing more solid lines of trade with our Latin American brothers. That exchange would be extended later to relationships on

other levels. We must give preference to products originating in Latin America and join our forces and interests on behalf of development through an organization patterned after the European Common Market. The potential, as everyone knows, is not lacking. The question now is one of uniting.

[Question] Did Secretary General Perez de Cuellar show any very specific interest in the presidential succession in Brazil?

[Answer] Look, I would like to make it very clear that I did not come here to talk about Brazilian domestic politics. I refuse to discuss this matter outside my country; it would not be ethical. It is solely up to us Brazilians to discuss such things, just as it is solely up to us to find the courses of action most appropriate for us. That is democracy, and some Brazilian politicians do not seem to realize it.

[Question] In view of your Arabic background, what is your position on the crisis in Lebanon?

[Answer] It is that of a Brazilian. I am opposed in principle to any kind of armed action, and I am tremendously saddened to see the world in such a warlike state. There is no excuse for violence when we have an organization like the United Nations, which was established precisely to prevent violence. The United Nations is a valuable instrument--like cotton separating crystalware--and it should be used more and used more seriously. I would like to emphasize that I take pride in our conduct at the United Nations. We have a noble tradition as pacifists that dates back to the days of Oswaldo Aranha.

[Question] What about the Brazilian economic crisis? What do you propose?

[Answer] President Joao Figueiredo's administration has been handling the negotiation of our foreign debt in an admirable manner. Even in the short term, the prospects are favorable. I regard a renegotiation as being vitally important. Brazil must set its sights on longer repayment periods. In that way, we will get out of this financial squeeze and be able to plan in greater tranquillity for the solution of other problems that are also pressing. I also consider it important for Brazil to beef up its export policy so that every Brazilian embassy will also be an office for trade representation. Our trade policy and our diplomacy must always interact in such a way as to look after the interests of the Brazilian people. We must realize that per capita income is not worth anything without domestic peace. And we have that now.

[Question] But isn't that policy already beginning to fall into discredit in the eyes of the international banking system?

[Answer] Not at all. The United States and Europe still see Brazil as a safe investment, and that is why I believe in renegotiation. Today, with the crisis, we are the ninth-ranking economic power in the world. In another generation, we will be in fifth place.

[Question] How might Alfonsin's election in Argentina influence the direction of Brazilian politics?

[Answer] There is a lot of talk about that in Brazil. I feel that this is due to a degree of Manichaeism among members of the PMDB [Brazilian Democratic Movement Party] in wanting to use the Argentine political process as a line of argument applicable to Brazil. What I have to say is that we do not need to follow anyone's example. Brazil must conduct its politics on the basis of national resources--Brazilian ideas.

[Question] Doesn't this mean that you are against direct elections for president of Brazil?

[Answer] First of all, I am a Brazilian, and as such, I support solely and exclusively the constitution and whatever it says. When I officially announce my candidacy for president, I will abide by that standard, whether the election is direct or indirect.

11798

CSO: 3342/51

EMBRAER 1983 PROFITS EXCEED 1 BILLION CRUZEIROS; NEW PROJECTS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Jan 84 p 23

[Text] Paraiba Valley--The Brazilian Aeronautics Company (EMBRAER) had a net profit of over 1 billion cruzeiros last year from its deliveries of 190 aircraft, 51 of which were sold abroad. Foreign sales provided revenues of over \$1 million.

The above information, announced yesterday in Sao Jose dos Campos, makes EMBRAER the sixth-largest manufacturer of general aircraft in the Western world and the largest outside the United States.

The confirmation of net profits exceeding 1 billion cruzeiros was received with satisfaction by the firm's management.

At the end of the year, the PLM (Transport Equipment Corporation) signed a contract with EMBRAER for the purchase of five Bandeirantes. The contract, worth \$12 million, includes technical assistance and spare parts.

The net profit earned by the firm exceeded expectations, since EMBRAER made large investments last year in its three new products: the AMX, a subsonic fighter plane being built in cooperation with Italy; the Brasilia, a pressurized turboprop with 30 seats--the first long-range national aircraft--and the Tucano, a new-generation turboprop military trainer. Those investments swallowed up funds on the order of 10 billion cruzeiros over the past 12 months. Beginning this year, and chiefly in 1985, EMBRAER will start to see a return on those investments.

The firm's current production ranges from small single-engine four-seaters to twin turboprops of the latest generation that can carry up to 30 passengers or cargo. Its main product is still the Bandeirante, considered the firm's "star" product, which has been sold in 26 countries on the five continents. The biggest market for this aircraft continues to be the United States, which has a fleet of 120 planes (out of the 450 produced). That is twice the number used by Brazilian regional airlines.

Beginning this year, however, the Tucano will account for the biggest volume of sales by EMBRAER, since the firm expects to bill over 100 billion cruzeiros at current prices. And for the first time since the firm was established 14 years

ago, the Bandeirante will no longer be the leader in sales. The Tucano will begin accounting for 55 percent of the sales, and the Bandeirante will be left with 40 percent.

EMBRAER is currently involved in two sizable new programs: one in the military area and the other for the civilian market. For the military market (thanks to an effort involving EMBRAER and two Italian aeronautics firms--Aeritalia and Aermacchi), the AMX ground-attack and combat fighter jet will make its inaugural flight this year. For the civilian market, mass production of the Brasilia will begin at the start of the second half of this year, and in this case, 107 purchase options have been signed with foreign regional airlines, chiefly in the United States.

11798

CSO: 3342/51

TRADE BALANCE FOR 1983, 1984 PROSPECTS REPORTED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Jan 84 p 21

[Text] Carlos Viacava, director of CACEX [Foreign Trade Department], announced yesterday in Rio de Janeiro that the surplus in Brazil's trade balance for 1983 came to \$6.491 billion, with exports of \$21.899 billion and imports of \$15.408 billion. There were a number of reasons for this, among them "the currency devaluation, which was the touchstone for achieving that result, and the apparatus of the financial policy adopted for that sector."

He added that in 1983, farm products accounted for 54 percent of Brazil's exports, representing revenues on the order of \$11.82 billion, and that their performance should be even better this year if there is nothing abnormal about the harvest. He acknowledged that exports will be slow this month, as they are every year in January.

According to Carlos Viacava, Brazilian exports in 1983 rose by an average of 11 percent in comparison with 1982, despite the background of international economic recession. He recalled the case of Africa--"a market that is finished"--and Latin America, where Brazil's exports totaled \$5.5 billion in 1981 but not more than \$1.5 billion in 1983--a substantial drop in earnings despite the interval of 2 years.

Prospects

Discussing the outlook for exports in 1984, Carlos Viacava pointed out that Brazil may wind up with a \$9-billion surplus in its trade balance with no difficulty. That is the figure now adopted by the government as its goal. But he said that essential factors for achieving that objective would be the following, among other things: normal harvests, a continuing but slow recovery in the U.S. economy at an annual rate of 4 or 5 percent, and growth of between 2 and 3 percent in the European economy.

Imports

Experts in the export sector argued yesterday that the result in the 1983 trade balance was due basically to the cutback in imports. They showed that the country's foreign purchases last year were down by \$3.98 billion in comparison with 1982, while its exports rose by only \$1.72 billion during the same period.

And even at that, the volume of exported products was up by 5.48 million tons over 1982.

Carlos Viacava denied that the success with the surplus was due to a sharp reduction in imports. He said that imports were lower in 1983 than in 1982 because petroleum alone provided savings of \$7.74 billion thanks to increased domestic production and the lower price of petroleum on the international market.

11798

CSO: 3342/51

BRIEFS

TRADE BALANCE GOAL FOR 1985--Brasilia--The trade balance goal that Brazil must achieve in 1985 to pay its foreign creditors has been determined: \$10 billion, compared to this year's \$9 billion and last year's \$6.5 billion, according to an announcement yesterday by Minister of Finance Ernane Galveas. The minister of finance believes that Brazil will be able to attract at least \$9 billion in new resources in 1985, arguing that an amount of \$6.5 billion has already been assured for this year. Galveas announced that he would go to New York this 15 January to sign the loan contracts with 800 international banks. The minister emphasized once again that Brazil does not need to request a moratorium because it has decided on a negotiated solution--renegotiation of its foreign debt. He also feels that the best way to obtain good payment terms is through annual negotiation rather than through an overall negotiation. Galveas said that the IMF mission will return to Brazil in February to determine the deficit in the public sector this year. He said that last year, the deficit stayed below the ceilings forecast by the government. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Jan 84 p 25] 11798

CSO: 3342/51

BETANCUR ADVOCATES DIALOGUE AS ALTERNATIVE FOR PEACE

Santiago HOY in Spanish 28 Dec 83 pp 49, 50

[Telex interview with President Belisario Betancur, by the editorial staff of HOY: "The Man of the Year: Belisario Betancur, The Advocate for Dialogue"; date and place of interview not given]

[Text] Promoter and advocate of peace, the Colombian president has become the leader in Latin American international relations this year.

"If only we didn't hear the gunfire, but would listen to the dialogue... so that peace might be achieved." That was not said by a pacifist, but rather by someone associated more with gunfire than with dialogue: the Colombian guerrilla group called the 19 April Movement (M-19) in a communique sent to the press in early December. But the phrase echoes the words of a man of peace: Colombian President Belisario Betancur Cuartas.

Convinced that "the battle against subversion is often confused with the battle against underdevelopment," when he became president--on 7 August 1982--he stretched out "a hand of peace to the armed rebels," passed an amnesty law for those who were in favor of renouncing the violence, and initiated direct negotiations with the guerrilla leaders. The outcome was favorable: more than 1,000 amnestied guerrillas and the belief by many that "very soon" a peace accord would be signed, at least by the two most important groups: the M-19 and the Revolutionary Armed Forces of Colombia (FARC).

That was in the area of domestic affairs. On the international scene, Betancur has become a true leader in Latin America, who proposes and puts into practice formulas, ideas and mechanisms for the peaceful resolution of disputes.

The Contadora Group, serving as mediator in the crisis in Central America, is his work, although he prefers to say that "the only leader is peace." Comprised of Venezuela, Mexico, Panama and Colombia, the group met for the first time in January of this year on the Panamanian island of Contadora. In April, however, the project had still not prospered. Betancur then boarded an aircraft and travelled to the other three member countries in the group. The result: Contadora became a reality.

Awareness of the Media

This initiative, and that of offering Bogota as the site for Chilean-Bolivian negotiations on Bolivia's landlocked status, are only two--the most well known perhaps--of his actions on the international scene. His offer to Chile and Bolivia received a standing ovation in the OAS General Assembly in November, and there are those who maintain that this offer saved the organization from stagnation.

Betancur gave the first surprise shortly after assuming office, when President Ronald Reagan visited Colombia on a diplomatic mission aimed at healing the Latin American wounds incurred by his support for Great Britain in the Malvinas Conflict. Among many other things, Betancur told Reagan--publicly--that peace "can neither be achieved through pressure, nor alienation, but rather through impartial aid and broad dialogue."

Betancur was the Conservative Party presidential candidate on four occasions. On the fourth he defeated the former liberal president, Alfonso Lopez Michelsen. He has been in office less than a year and a half, and at his present pace--barring the presence of unforeseen obstacles--he will conclude his term of office as one of the most outstanding figures in Latin American history. In 1983 he was for the continent, without doubt, the man of the year in the area of international relations.

HOY sent the Colombian president a telex, requesting him to respond to a questionnaire. The telex was excessively demanding: the questionnaire had to be answered immediately in order to meet a rapidly approaching deadline. Betancur, a distinguished journalist (he was the editor of two newspapers and a magazine), understood the situation. Moreover, he turned in his responses--"with pleasure"--before the deadline.

[Question] Do you believe that the dialogue method which you have promoted to confront Colombia's internal problems and those of other nations might develop into a new and effective political style, particularly in Latin America?

[Answer] The dialogue, as an instrument for understanding among civilized nations and among men, when it is motivated by a political desire, is irreplaceable in the search for the peaceful resolution of the differences between nations. While there is dialogue, nothing is lost. This is what the Contadora Group is promoting among sister nations in Central America. And this is what I have practiced in my administration, in domestic affairs.

If, after all the fighting is over, the disputing parties sit down to negotiate a peace treaty, it is all the more logical, humane and just, that those negotiations be initiated before the war starts, to avoid the terrible consequences of mutual destruction.

[Question] The dialogue approach appears to have failed in the area of Soviet-American talks on Euromissiles. What alternative is there to dialogue?

[Answer] I am not such a doomsayer. I refuse to believe that, if the desire for dialogue on the part of the two superpowers really existed, the attempt has failed. As a peaceful alternative, dialogue always exists; a dialogue perhaps at the highest level, urged by the uproar of all the countries and peoples, who otherwise would look with horror upon the possibility of a holocaust.

In a message to former President Nixon, I suggested a meeting between Premier Andropov and President Reagan to look at the problem of the international economic situation. I still foster the hopes that that dialogue will be held in some part of the world.

[Question] Do you believe that the democratic governments of Latin America have a role to play in the democratization of the rest of the continent?

[Answer] The democratic governments of Latin America have much to contribute toward peace and the economic and social justice of this continent. Look at the record: Four years ago, the Andean Pact countries (Bolivia, Colombia, Ecuador, Peru and Venezuela) were, for the most part, governed by military regimes. Today, all are under democratic protection.

Nicaragua is also announcing elections, and Guatemala as well. The process which has just concluded in Argentina with the inauguration of President Alfonsin, constituted a democratic opening for that part of the continent."

[Question] What should be done to overcome the present crisis in the inter-American system?

[Answer] Just as the presidents of the Bolivian countries expressed in the Boyaca Bridge declaration (on 18 December), the OAS needs to be reorganized, so that the objectives which inspired its creation may be translated into effective programs for reestablishing and maintaining peace and security on the continent and for contributing to the social and economic development of the American peoples.

Just as an OAS which excludes Cuba is inconceivable, for example, neither is it desirable to have another continental association excluding the United States. The OAS should be restructured. Of this there can be no doubt, as far as the Latin Americans are concerned.

[Question] What is your appraisal of the performance of the Contadora Group in Central America, considering that along with the peace measures, there have been continued military preparations?

[Answer] Contadora has averted a conflagration in the region that would have had its origin in the armed confrontation between Honduras and Nicaragua. In addition, it has gotten the countries involved to modify their initial positions, to allow for programs receptive to dialogue and negotiation, because they are aware that a solution to the problems which surround them

should be the result of their conversations and agreements, amid an atmosphere of mutual respect and cooperation. And this is the atmosphere which Contadora has fostered.

[Question] Are there definite possibilities that the dialogue with the Colombian guerrillas might lead to their participation in democratic politics? What concessions would you make to bring this about?

[Answer] That is our greatest desire and it is in that sense we have worked. Within the legal and constitutional channels, everything that the government must do to achieve this end will be done. The conditions are those which the laws--and in this particular case, the amnesty law of 1982--stipulate, in keeping with a state of law where ideological pluralism is respected and practiced.

We have negotiated and continue to negotiate. For this reason I said at the beginning that while a dialogue is underway, nothing is lost. I, for my part, will spare no effort in the pursuit of achieving the longed-for peace for my country and for my compatriots. We must understand, to be sure, that 35 years of violence cannot be ended overnight.

[Question] What will be Colombia's role in the negotiations to take place in Bogota between Chile and Bolivia? Does your administration hope to assume the role of mediator, or will it serve merely as a host which facilitates contact?

[Answer] As I clearly pointed out in the letter which I sent to the two presidents this past 18 November on the occasion of the approval of the OAS resolution exhorting the two countries to overcome the differences which separate them, I offered our country as the site for a meeting of the two foreign ministers.

This event makes us proud and fills us with pleasure, because it is an example of the American spirit which motivates the two parties to overcome the difficulties which presently separate them. In summary, our role will be that of hosts for facilitating the dialogue. Nothing more: the rest is left up to the protagonists.


CSO: 3348/216

THEOLOGIANS, SOCIAL SCIENTISTS CRITICIZE U.S. POLICIES

Havana GRANMA Weekly Review in English 18 Dec 83 p 5

[Article by Mirta Balea]

[Text]



THEOLOGIANS AND social scientists from 27 countries of Europe and the Americas met in Cuba November 13-19 to exchange views on peace and justice in the world, especially in Latin America and the Caribbean. The occasion was the 2nd International Meeting of Theologians and Social Scientists sponsored by the Evangelical Theological Seminary in the western province of Matanzas and the Latin America and Caribbean Christian Peace Conference.

The first meeting took place February 25-March 3, 1979, in a climate of détente at the time of the SALT II agreements on arms limitations between the United States and the Soviet Union and the triumph of the Sandinista and Grenadian Revolutions.

The second meeting, however, was held in the world atmosphere of tension brought about by the imminent deployment of 572 nuclear missiles in Western Europe, the invasion of Grenada and threatened intervention in Central America as a result of the Reagan administration policy.

Chairing this second meeting was Mexican Raúl Vidales, who spoke several times during the debates questioning and rejecting any moral justification for nuclear war, however limited, because of the incommensurable destructive threat to today's world.

He said that peace can be achieved only through the justice and total freedom that guarantees the independence of nations.

The 140 participants made manifest their commitment to the construction of a new society and to the liberation processes that open the possibilities for such an undertaking.

The meeting was also a tribute to Monsignor Sergio Méndez Arceo, honorary president of the Latin American and Caribbean Christian Peace Conference, along with Nicaraguan Minister of

Culture Ernesto Cardenal; Reverend Raúl Fernández Ceballos, former president of the Cuban Ecumenical Council; and Argentine Christian Mauricio López, reported as missing in his country several years ago.

Rev. Sergio Arce, rector of the Evangelical Theological Seminary of Matanzas, said that repression, terrorism, militarization, the exploitation of the labor of others, private ownership of the means of production, armed intervention in other countries, the arms buildup, the production of mass-destruction weapons and the theory of a first nuclear strike are all praxeological death weapons.

Hatred for the people's life, dignity and right to sovereignty and self-determination is inherent to the capitalism system, he went on to say, but the exacerbation of such homicidal feeling at the triumph of the revolutionary forces of a small country of blacks and mulattoes (referring to Grenada) was something they had not counted on.

A minute of silence was observed at the opening session in tribute to the memory of those who died defending the sovereignty of Grenada, including the 24 Cuban workers, and to the memory of the late, assassinated Prime Minister Maurice Bishop.

In the Final Declaration, the participants expressed their solidarity with the people of Grenada, condemned the U.S. invasion of that country and called for the prompt withdrawal of the invasion troops.

They also expressed their recognition for the Cuban people's noble, heroic attitude, demonstrated by the workers who shed their blood — a permanent seed of life — on Grenadian soil.

Talking to Prensa Latina, the president of the Latin America and Caribbean Christian Peace Conference, Puerto Rican Luis Rivera Pagán, spoke of how U.S. President Ronald Reagan's speech justifying the invasion of Grenada was an example of how he manipulates religious

symbols and expressions in his policy toward the area.

Rivera referred to Reagan having taken on "a Crusade and Holy War mentality to cloak his anticommunism," in an attempt to maneuver Latin American religious conscience into isolating the progressive forces and sowing confrontation between Christians and revolutionaries.

Thus, he added, the United States utilizes religious symbols to the benefit of its warmongering interests, while at the same time subsidizing extremely conservative sects. In this way, it seeks to discredit Christians who take up the cause of the oppressed and the popular Church, and to reestablish alliances with religious groups out to maintain the traditional status quo.

In the fourth session of the international meeting, Argentine researcher Ana Maria Ezcurra read her paper, "The Role of the Religious Factor in the Imperialist Ideological Offensive," one of the most important papers presented for discussion.

She said that Central America was a priority strategic area for Washington, which views the popular Church, the revolutionary movements, Marxism and Sandinismo as its main adversaries in the area.

French theologian Georges Cassalis' call to wage a sustained struggle and be ready to pay the price of a life given over to others for the sake of peace was received well by those present.

"There can be no neutrality at this point," he said, "because the existence of imperialism presupposes a permanent threat of war."

The Final Declaration opposes "the militaristic might the U.S. best of the apocalypse implements in the name of God, working on religious

faith and feelings to unleash a fierce anticommunist campaign, which we must not hesitate to call anti-Christian because it is anticommunist."

Regarding the problems of peace, the general secretary of the World Christian Conference for Peace, Czechoslovak Lubomir Mireyowsky, said that Western Europe has become aware of the imminence of U.S.-planned nuclear war.

In the last two years, he added, a mass movement has grown up against Euromissile deployment in Bonn, Amsterdam and London, with women's protest from Copenhagen to Paris and in Federal Germany. In this Christian churches are participating.

The decision on the part of the Pentagon to deploy the missiles demonstrates its hatred for the Soviet Union as "an evil that must be destroyed." The missiles, he said, "are also a threat to Third World countries, since they will be pointing at the Middle East and North Africa."

Mireyowski went on to say that it is no longer a question of an East-West confrontation between the United States and the Soviet Union but of confrontation between a small, wealthy elite capitalist group and the rest of humanity, whose only aspiration is a world governed by wisdom and characterized by understanding and solidarity.

The Final Declaration expressed the participants' solidarity with peoples struggling for peace and against U.S. militarist designs for theater nuclear war in Europe.

They thereby also expressed their support for peace movements in Europe and North America "aware that their struggle is also ours."

TECHNICAL SECRETARY DEFENDS GOVERNMENT TAX POLICY

Taxation System Criticized

Santo Domingo EL CARIBE in Spanish 12 Dec 83 p 6

[Editorial: "Is It Too Much to Ask?"]

[Text] One of the most interesting debates at the moment (even though it is still restricted to economists and some politicians) is whether the Dominican Republic's tax base is actually shrinking.

More than a few people doubt that it is. In support of their belief they cite the fact that once a tax has been instituted in this country, it has never been abolished. Some levies that the Trujillo regime imposed, allegedly for "national defense," are still being collected.

All that is happening, say those who do not believe that the tax base is shrinking, is that in perhaps relative terms the State is now receiving a smaller percentage than it did a few years ago. In absolute terms, however, tax revenues have been on the rise.

Furthermore, those who feel this way explain that the relative narrowing of the tax base is due to two main factors. The first is the poor management of taxes, whether because of incompetence, inefficient investigation and collection methods and even corruption. Secondly, in order to create incentives for certain investments, the income tax has been riddled with exemptions. Strictly speaking, the income tax should yield the most revenue with the fewest problems, inasmuch as at least theoretically, there is a consensus that taxpayers ought to hand over to the State a portion of their net income.

The point has also been made that even though the government has made an extraordinary effort in recent months to secure greater revenue, it has followed a completely erroneous path to achieve its goal. What it has done, in practice, is to continue weighing down our archaic tax system with indirect taxes that not only must be paid by those who have the least but also contribute to inflation, unemployment and, in general, disinvestment.

Although much has been said and written about this issue, over time the debate has degenerated into a dialogue of the deaf. While those outside government put forth arguments that often seem based on irrefutable logic, officialdom takes a stand that smacks of arrogance and that could be summarized as follows: "The government needs more money and for this reason alone, without further explanation, it is entitled to decree additional taxes."

The official position is more than just disagreeable; it does very little to help it to secure the grassroots support it needs for its effort to obtain additional funds for the Treasury. Obviously, however, there have been few, if any, officials who have explained rationally and logically the government's need for more money, as well as the social, political and economic usefulness of the expenditures that it is going to make with the additional funds that it is so enthusiastically seeking.

It is obvious that the mere fact that the State needs more money does not justify the imposition of more taxes. In order for taxpayers to willingly accept any new tax, they must be given an explanation as to why the government needs more money, not just told that it does. In other words, those who are going to pay the tax must understand its purpose. This would seem elementary in every case, but it even more important in times of economic crisis, inasmuch as when everyone is short of money, as today, a tax can be justified solely if its purpose is to boost productivity, not to expand the payroll (with all of its cushy jobs) of the Dominican State and its agencies.

We therefore believe that if the State were to explain the usefulness of each of its projects, things would be much easier for both the government and for taxpayers.

Is this too much to ask?

Social Welfare Among Justifications

Santo Domingo EL CARIBE in Spanish 16 Dec 83 p 6C

[Text] The technical secretary of the presidency said yesterday that it is not true that taxes have increased in absolute terms over the past few years.

Ramon Alburquerque makes this point in a letter addressed to the editor of EL CARIBE, Dr German Emilio Ornes, in response to some of the comments made in an editorial published on the 12th of this month and entitled "Is It Too Much to Ask?".

The secretary explains that "not even by repeating this view over and over again can the facts be twisted. In 1981 the central government's revenues in absolute terms were 909.2 million Dominican pesos; in 1982 they totaled 745.5 million. This is a decrease of around 163.7 million."

Albuquerque also points out that "the drop in relative tax revenues has also been dramatic, as they fell from 12 to 9.4 percent of the Gross National Product from 1981 to 1982."

The following is the complete text of the letter:

The 12 December issue of your responsible and prestigious newspaper EL CARIBE contains an interesting editorial entitled "Is It Too Much to Ask?". The editorial warrants calm, in-depth analysis because it offers a number of views on major national issues, such as political ethics and certain key policies of the National Concentration Government.

The editorial refers to the "political debate" of the moment, which concerns whether or not "the Dominican Republic's tax base" is shrinking. The debate is between those who doubt that the base is shrinking and those who merely argue that "the State needs more money."

Before setting forth our position in detail, we feel that for a better understanding of this issue, the varying views ought to be placed in their proper political and social context. We are in total agreement with the editorial in the sense that such views are part of the ongoing debate on social issues in which opposing interests are represented.

We should recall what the president of the republic, Dr Salvador Jorge Blanco said in his impromptu speech to the Association of Importers: "The republic is an archipelago of interests."

Needless to say, therefore, views that represent political programs other than our own do not necessarily have a monopoly on the truth, even though there might be "many" such views. We do not feel that harping on such views can change the facts, much less when the harping is done by short-term, self-interested alliances.

We do not agree with such views, but we do respect them. What is more, we are pleased that they can be made public, because this is unquestionable evidence of the climate of respect and freedom that this administration has maintained and is striving to maintain regardless of the political cost that it might entail.

We are making this point because the editorial embraces the views of those who contend that taxes have been increasing in absolute terms for several years. We should underscore, however, that not even by repeating this view over and over again can the facts be twisted. In 1981 the central government's revenues in absolute terms were 909.2 million Dominican pesos; in 1982 they totaled 745.5 million. This is a decrease of around 163.7 million. In addition, the drop in relative tax revenues has also been dramatic, as they fell from 12 to 9.4 percent of the Gross National Product from 1981 to 1982.

Your editorial also remarks that what the government has done is continue to weigh down our "archaic tax system" with taxes on those who have the least. What you are forgetting in this regard is that no sooner had it taken office than this administration submitted to the National Congress the bill standardizing the income tax exemptions granted by Law No 5911 at their maximum percentage, in order to prevent systematic tax evasion by those who earn the highest taxable income and who pay hardly any tax due to the liberal exemptions. It is not the fault of this administration that the bill was not passed by the National Congress, nor can it be accused of wavering from its principle of not taxing the poor or lower-income groups. The proof of this is that none of the new bills submitted to Congress along with the 1984 budget are at variance with this principle of social justice.

It should also be added that this administration has not been alone in recent years in remarking that the tax base is shrinking. This issue has been analyzed by many, if not all of the country's economists.

We categorically reject the argument of some individuals that our fiscal situation is due to the poor management of taxes, whether because of incompetence, inefficient administrative and collection methods and even corruption.

We sincerely believe, Mr Editor, that this opinion (and we are deliberately ignoring your political family tree) is an erroneous view of this administration's philosophy and ethics, because if there is anything that we can boast of since 16 August 1982, it has been our determination to erradicate corruption and dishonesty. The increase in revenue in 1983 is largely due to the policy of efficient tax collection and to the enforcement of standards of conduct that have heightened the ethics of our public servants.

Your editorial also describes the government's call for more taxes as arrogant and disagreeable and as not offering rational explanations to secure the public's approval.

Mr Editor, we believe that this administration has also made an earnest effort to keep the public duly informed about all of its actions in the various spheres of government and, above all, to remain open to a serious and responsible dialogue with all of the sectors in the country. As the president of the republic pointed out in San Cristobal: "This administration's style is different. It has established a more human and democratic communication with the people. A well-defined public opinion has developed under this administration, able to express itself freely and with the counterpart of a receptive government. We have not been afraid to modify our decisions when representative national forces have so asked us, and we feel that far from showing weakness, this attitude is a source of pride and patent proof of the flexibility and calm strength of our views, which are part of a program in which we have set forth goals and concrete guidelines for achieving them."

The editorial also remarked that a new tax "can be justified solely if its purpose is to boost productivity, not to expand the payroll (with all of its cushy jobs) of the Dominican State and its agencies."

In this regard we should note that increasing production and productivity is one of this administration's basic goals. The president pointed this out in his speech to the nation when he submitted his draft budget. And it is precisely for this reason that the government ordered a series of exchange rate measures to encourage agricultural and livestock output, because it is in this sector that the nation enjoys its greatest comparative advantages. Moreover, this sector employs unskilled idle manpower and quickens the inflow of foreign exchange into the economy. A similar approach is being followed with other productive areas such as tourism, mining, forestry, construction and the industrial sector in general.

We also feel that we were right when in submitting the 1984 budget to the National Congress we cautioned that the estimated outlays of 1.385 billion pesos were barely enough to meet the nation's minimum needs in the strategic sectors of the economy and in the social spheres of health care, education, housing, drinking water and others. We also believe that the most obvious justification for higher taxes is the critical poverty in which most of the Dominican people live. Any government action to raise living standards and redistribute income is more than justified. Now then, the editorial reaches an erroneous conclusion when it says that the increased taxes will go to create more "cushy jobs," because your paper is obviously unaware of the fact that whereas personnel expenditures totaled 427.8 million pesos in 1982, they will amount to about 422.2 million in 1983 and are projected at 421 million in 1984. Contrary to your assertions, this is a downward trend, even though we need more teachers, nurses, road repairmen, machine operators and skilled workers every day.

Do you think that it would be asking too much of those voicing these views that they back up their arguments with hard facts and figures?

This country needs a small dose of understanding to successfully cope with the grave crisis plaguing all of the world's nations.

Mr Editor, we hope that we have allayed your legitimate concerns with our reply.

8743

CSO: 3248/297

HIGH INFLATION, DEVALUATION, FOREIGN RESERVES DROP REPORTED

Quito EL COMERCIO in Spanish 1 Jan 84 p 12

[Article by Marcelo Eguez Toro: "Uncertainty, Inflation, Decline in 1983"]

[Text] The accelerated inflationary growth and the direct and marginal effects of the minidevaluation made their negative impact felt on the national economy in 1983. Exports recovered during the second 6 months, reaching a figure similar to that of 1982 through the increased volume of oil sales. Imports went down substantially, favoring the trade balance. The international monetary reserve dropped to levels not seen in the past 11 years. Meanwhile, the value of the dollar increased significantly during the year.

The economic crisis was fought hard without being overcome despite the monetary and economic measures implemented. The drop in productive activity was the result of an atmosphere of uncertainty and lack of confidence in addition to the lack of availability of capital goods, supplies and raw materials.

Inflation

In 1983 there was inflationary growth never before recorded in the history of the country. It went from 28.3 percent per year in January to 63.4 percent in September and then dropped in the next 2 months.

This increase was mainly due to the substantial increase in the prices for foods and beverages. They increased from 34.5 percent in January to 110.1 percent in September and then grew at a slower rate in October and November. It should be pointed out that during the first half of 1983, the supply of food was severely limited as a result of the harsh winter season in 1982 which lasted until the first months of 1983. Different economic factors, the price policy and the insecurity of land ownership because of invasions of agricultural and livestock farms could be added to this situation. These discouraged farmers from making investments and increasing certain crops that, according to them, are not profitable under present conditions, leading to a shortage of these products in the national market.

The significant flow of basic agricultural products toward the borders of the country in search of better markets stimulated smuggling, price increases and speculation. The impact of the minidevaluation cannot be ignored. It affected the costs of processing food products and wage adjustments.

In October and November, there was an annual inflationary rate of 61.1 percent and 55.6 percent, respectively, indicators that do not mean a price reduction but a decline in their rate of increase. This situation is due to the supply of certain basic articles through imports and economic factors that, in one way or another, restricted the spending capacity which, in turn, means reduced demand for certain products and goods not considered indispensable.

The prices for goods and services included in the housing, clothing and miscellaneous sectors went up but not as much as food and beverages.

The rate for clothing (clothes, fabric, etc.) remained at 32 percent per year with slight decimal variations in the months of September, October and November. The growth in housing has not had significant variations since July and the rate of growth of the miscellaneous sector (health services, recreation, reading, transportation, etc.) went down in October and November.

The fact that the rate of inflation has gone down in the 2 months indicated led the official authorities to declare that the national economy is recovering. It should be considered whether this reduction in the rate of inflation is due to increased national production--in this case, agricultural-livestock production--or to the restriction of the volume of demand because of limited economic resources and high prices.

Monetary Aspects

The package of measures amending the interest rate, the official value of the dollar and national foreign trade, adopted by the Monetary Board on 19 March 1983, gave a new direction to these economic sectors.

The minidevaluation system began in Ecuador for the first time. It started at 42 sucres per dollar with an increase of 4 centavos/sucre per workday. In 10 months this devaluation meant a 27-percent increase in the official value of the dollar. A parallel open exchange market was also established by Central Bank in order to take care of the demand for foreign currency for imports from List II. It would be fed with funds from 30 percent of the exports with the exception of oil and its derivatives, bananas, sugar, cacao and coffee.

However, the decline in exports of the country prevented fulfillment of this last objective and in the third week of July Central Bank suspended the sale of dollars for imports from List II, forcing customers to go to the private open exchange markets.

This official parallel market was established to tax imports of goods and articles not considered priorities with a higher dollar and, at the same time, stop the rising spiral of the value of the dollar on the open market that had reached 86 sucres in March. However, this objective was far from achieved.

1983 Annual Inflation Rates

<u>Month</u>	<u>General</u>	<u>Food & Beverages</u>	<u>Housing</u>	<u>Clothing</u>	<u>Miscellaneous</u>
January	28.3	34.5	17.9	25.1	29.6
February	30.3	39.1	17.8	25.9	29.6
March	32.6	44.7	17.6	26.7	29.9
April	37.1	54.2	18.5	28.6	30.1
May	45.2	66.0	20.0	32.0	40.9
June	51.4	82.2	19.7	30.0	41.2
July	56.4	94.1	21.1	29.7	40.8
August	59.7	102.6	20.5	30.6	41.5
September	63.4	110.1	21.1	32.0	43.1
October	61.1	109.9	19.4	32.7	35.1
November	55.6	96.1	22.4	32.8	30.9

On the contrary, at the end of July the U.S. dollar reached 100 sucres and instability and lack of confidence in the monetary policy grew.

The minidevaluation started in March was the result of the steady increase in the value of the dollar on the open market and the imbalance in the balance of payments.

About 3 months later, on 21 June, the Monetary Board modified the devaluation mechanism, increasing it to 5 centavos/sucre per calendar day, thus accelerating the minidevaluation process.

The progressive loss of the value of the sucre compared to the dollar through the minidevaluation did not stimulate an increase in exports of traditional and industrialized products. Rather, its effect has been translated into an acceleration of inflation and has caused problems in the domestic market for articles and products processed in the country. The instability of the value of foreign currencies has made it difficult to calculate manufacturing and production costs of goods that mainly use imported raw materials and supplies.

Another aspect that should be pointed out is the rise in the cost of money. The package of economic measures adopted by the monetary authorities in March established an increase of 13 percent and 16 percent for the interest rates in effect then for savings deposits and credit operations, respectively. On 18 October, these rates were changed to 16 percent and 19 percent, respectively; that is, each one went up three points.

The most recent statistical data from Central Bank do not show a significant growth in savings. In other words, the two increases in a period of 7 months in passive interest rates (savings) did not achieve their objective. This is logical under circumstances of accelerated inflation that almost quadruples the interest rate. Also the more expensive credit accelerates the rate of inflation and, at the same time, limits the resources available to the private sector.

It should be noted that the money the banks have dropped about 5 percent in a year (26 November 1982 to 25 November 1983). The behavior of the other components of the means of payment in the same period, however, show signs of growth. Circulating currency increased an equivalent of 28 percent and the money in the hands of the official sector increased about 53 percent.

Economic Development, Foreign Debt

According to official estimates, the economic activity of the country in 1983 suffered a decline equivalent to 3.3 percent. The most negative reduction in the GDP would be in the agricultural-livestock sector--14 percent. The agricultural subsector had the highest rate of decline (29.1 percent).

The reduction in the manufacturing sector would be 5.6 percent. The food subsector like the processed meat and fish industry and sugar (9 percent and 25 percent) and the sector corresponding to the manufacture of paper, printing and publishing (10.1 percent) would have dropped the most.

It is estimated that the construction sector would go down 15.4 percent and business activity and hotels and restaurants would drop 1 percent.

The different measures adopted by the monetary authorities to limit foreign purchases would affect the amount of revenue from taxes on imports which went down 15 percent in 1983.

This predicted situation in national economic development in 1983 is the result of the crisis that seriously affected the country and worsened during the long procedure required to finalize refinancing of the foreign debt.

After negotiations that lasted about a year, the government managed in October to finalize terms for refinancing public and private foreign credits that were due between November 1982 and December 1983, a total of more than \$2.1 billion.

Through this refinancing, it was possible to obtain an extension of the amortization of the debt in order to alleviate the stifling economic crisis before worrying about the terms of the cost of the operation. The IMF participation in this transaction was decisive. Ecuador had to apply a series of adjustments to its domestic economy suggested by the international organization in order to obtain the endorsement that finally led to the signing of the contracts with about 350 private creditor banks.

It should be pointed out that the approval of the IMF "standby" loan for \$171 million was not significant because of its amount but as effective proof of endorsement to Ecuador in the refinancing process.

Although there were qualms about the terms of the cost of the renegotiation, the fact of having completed the stage of postponing payments and the uncertainty of legalizing the overdue commitments brought relief to the private debtors. Central Bank could accelerate its payments of the overdue reimbursements which, as of October, totaled about \$600 million, using the fresh or new loans that began to reach the country as part of the refinancing agreement.

1983 Monetary Reserve
(millions of dollars)

<u>Date</u>	<u>Amount</u>
31 January	157.8
28 February	206.0
31 March	145.1
30 April	136.5
31 May	175.9
30 June	161.6
29 July	120.2
31 August	92.1
30 September	108.1
31 October	296.2
30 November	165.3

The question remains whether the debtor enterprises can meet their payment commitments in the period of 7 years, limiting themselves to the mechanism established. The renegotiated public debt in this period reaches \$1.2 billion and the private debt is \$950 million.

Monetary Reserve, Foreign Trade

The lack of flow of foreign credit and the resulting drop in exports meant that Ecuador's foreign reserve remained low in the past year.

Looking at the balances at the end of the first 11 months in 1983, the highest amount was reached on 31 October, \$296.2 million, as a result of the first disbursements of the new credits granted by international private banks. On 31 August the balance of the reserve was at its lowest level, \$92.1 million.

The low foreign reserves of the country will continue at levels similar to the second half of 1983 as long as national exports do not show a notable recovery and the flow of credits is not used for payments for imports.

During the 11 months of 1983, exports reached \$1,979,800,000, a 1-percent decline compared to sales made in the same period in 1982. Imports during this period in 1983 reached \$1,122,600,000, a drop of 30 percent compared to the same period in 1982. This foreign trade situation resulted in a favorable trade balance of \$857.2 million, 119 percent larger than that of the first 11 months in 1982.

The appreciable reduction in imports due to the Monetary Board measures favored the trade balance of the country. The growth of revenue from the sales of oil and shrimp prevented a greater decline in national exports.

The value of traditional exports of banana and cacao dropped sharply during the first 11 months of 1983. The first went down 28 percent and the second 86 percent compared to 1982. Meanwhile, coffee sales increased about 9 percent.

January-November Exports
(millions of dollars FOB)

<u>Products</u>	<u>1982</u>	<u>1983</u>	<u>% Change</u>
Primary products	1.638	1.801	+10
Banana	198	141	-28
Cacao	59	8	-86
Coffee	128	140	+9
Abaca	9	7	-22
Fish	5	3	-40
Shrimp	109	164	+50
Wood	10	6	-40
Oil	1.111	1.327	+19
Others	9	5	-44
Industrialized products	363	178	-51
Sugar and molasses	---	0.1	+100
Cacao products	52	25	-52
Processed coffee	16	18	+12
Fish products	75	21	-72
Chemical, pharmaceutical products	6	4	-33
Hats	5	3	-40
Oil derivatives	132	85	-36
Domestic appliances	16	0.1	-99
Metal products	5	2	-60
Others and reexports	56	20	-64
Total	2.001	1.979	-1

Shrimp exports increased 50 percent but fish exports dropped 40 percent. It should be noted that, in revenue, shrimp sales are second after oil and equal almost all industrialized products together.

The progressive decline in exports of industrialized articles worsened in 1983. Sales in the first 11 months of 1983 showed a decline equivalent to 51 percent compared to the value of the same period in 1982. Processed cacao and seafood went down 52 percent and 72 percent respectively and sales of oil derivatives dropped 36 percent. Small appliances, sugar and molasses were hardly exported and exports of manufactured metal products dropped 60 percent.

Crude oil export revenue increased 19 percent compared to the same period in 1982, accentuating the dependence of Ecuadorean foreign trade on the sale of oil. It equals 67 percent of total exports and 73 percent of the sales of primary products.

7717

CSO: 3348/204

DAILY CURRENCY DEVALUATION TO CONTINUE UNTIL AUGUST

Guayaquil EL UNIVERSO in Spanish 3 Jan 84 p 2

[Text] (ANE)--The sucre continues to be subjected to the daily minidevaluation system this year. As of yesterday, Monday, the first workday of 1984, it had depreciated 66.63 percent compared to the dollar.

The minidevaluations of 5 centavos per day will continue, according to government spokesmen, until 10 August of this year when the new government that will be elected by the Ecuadorean people on 29 January will take office.

In the official market of Central Bank, the dollar for imports from List I was quoted at 55.23 sucres. Compared to the quote of 33 sucres in effect until 18 March 1983, the devaluation was equivalent to 67.63 percent. On the other hand, the dollar for imports from List II was quoted today at 87.90 sucres. This means that the depreciation of the sucre compared to the dollar on the Central Bank "open market" has been about 54.90 sucres, equivalent to 166.63 percent.

Differential

The minidevaluations were implemented, among other reasons, to substantially reduce the differential between the rates of exchange on the open and official markets.

However, this objective has not been achieved since there is still a difference of 33.77 sucres between the official dollar and the dollar on the parallel market (banks and exchange houses) where it was quoted at 89 sucres today.

In other words, there is a difference of 61 percent when international economic norms indicate that the differential should not be greater than 2 percent.

The objective of continuing the system of minidevaluations is to reduce imports (because of the higher price of the dollar) and reconstitute the Monetary Reserve in the medium term.

Today's Quotes

On the parallel market, the dollar was quoted at noon as follows: purchase, 86 sucres; sale, 89 sucres.

Official Market

On the official market, the quotes were as follows: purchase, 54.10 sucres;
sale, 55.23 sucres.

Central Bank Open Market

Purchase, 87 sucres; sale, 87.90 sucres.

7717

CS0: 3348/204

INEC DIRECTOR ON JANUARY INFLATION DROP

Quito EL COMERCIO in Spanish 1 Jan 84 p A-1

[Text] The inflationary trend for January 1984 is downward, according to Wilson Ruales, director of INEC [National Institute of Statistics and Census]. He also reported that the inflationary level went down in December from 56.6 percent to 52.4 percent.

He added that prices went down 0.04 percent compared to November, basically due to the reduction in prices in the food and beverages sector. The housing, clothing and miscellaneous sectors show slight increases.

In view of the fact that food and beverages have a weight of about 40 percent on the family market basket, this generated an average monthly variation of -0.4 percent. Ruales said that it should be pointed out that the annual variation in the food and beverages sector went down to 86.07 percent in December.

In previous months the annual variation of food and beverages reached 110 percent.

He also pointed out the major role that the open markets have played. In this way, the producer has gotten closer to the consumer and the two sectors have benefitted, according to the director of INEC.

As long as the climate continues to be mild and the same measures are adopted, the inflationary rate will continue its downward trend.

He added that the inflationary rate will definitely go down even more in January 1984, especially in the food and beverages sector. He said that INEC has been carrying out experimental research on prices at the level of the producer and the circumstances in which the agricultural-livestock sector develops have been studied. The data that INEC has show that the next harvests will be better than the last ones. If actions are taken to draw the producers and consumers closer under these conditions, there will be an important margin to reduce the inflationary gap.

A wage increase for workers cannot cause higher rates. On the contrary, it will help the enterprises to maintain an adequate level of demand. Therefore, the enterprises can increase their production level using the installed capacity

more positively and reducing costs. Rualess explained with these arguments that a wage increase will not influence inflationary behavior.

Finally, he stated that the economic conditions will mean that the rate of inflation will go down in January.

Inflation in 1983
(annual rates)

<u>Month</u>	<u>General Rate</u>	<u>Food and Beverages</u>
January	28.3	34.5
February	30.3	39.1
March	32.6	44.7
April	37.1	54.2
May	45.2	66.0
June	51.4	82.2
July	56.4	94.1
August	59.7	102.6
September	63.4	110.1
October	61.1	109.9
November	55.6	96.1
December	52.4	86.1

7717

CSO: 3348/204

ARENA, PDC, OTHERS EXPLAIN VOTING ON CONSTITUTION

San Salvador LE PRENSA GRAFICA in Spanish 15 Dec 83 p 76

[Text] Today, the discussion and approval of the Political Constitution ends, and tomorrow it will be published in the Official Gazette, so as to go into effect on 20 December, when it will be signed and sworn in by the Constituent entity in a formal session. Last night, the economic system was completely approved by the deputies, with 34 votes in favor, 23 against and three deputies absent.

The votes in favor came from the parties: PCN [National Conciliation Party], five votes; PAISA [Salvadoran Authentic Institutional Party], nine votes; ARENA [National Renewal Alliance], 19 votes; AD [Democratic Action], one vote, from Dr Ricardo Gonzalez Camacho, because Dr Luis Nelson Segovia was absent on account of illness; the Salvadoran Popular Party's only deputy was absent; and Deputy Fantina widow of Martinez, of the Christian Democratic Party, was also absent. Therefore there were only 23 votes against the economic system cast by the Christian Democrats.

The other article relating to agrarian reform and part of the economic system, No 105, which will be Article 106 in the new final order that the Style Commission is giving to the 1984 Constitution, makes the following stipulations, according to its text:

Article 106. Expropriation will be legal based on public utility or social interest, legally approved, and following fair compensation.

When the expropriation is prompted by reasons stemming from war or public disaster, or when its purpose is to supply water or electric power, or to provide for construction of housing, or highways, roads or public thoroughfares of any kind, the compensation may not be in advance. When the amount of the compensation that must be acknowledged for goods expropriated in accordance with the foregoing sections so warrants, the payment may be made in installments which, combined, will not exceed 15 years; in which instance the pertinent bank interest will be paid to the person subjected to the expropriation. This payment must preferably be made in cash.

The entities that have been created with public funds may be expropriated without compensation.

Confiscation is prohibited, whether as a penalty or for any other reason.

Authorities who violate this regulation will at all times be answerable for the damage caused, both personally and with their assets. Confiscated goods are imprescriptible.

Reasons

After having cast their votes by name and publicly for the approval of the Constitution's economic order, the political parties explained the reasons for their yea or nay votes in the following order: Representing PCN, Deputy Hugo Carrillo, who said that the position proposed by PCN on limits for productive land holding was always based on clearcut groundrules. He noted that it consisted of 150 hectares as the maximum amount of land allowed for private ownership, and 100 hectares for free sale, with the remaining 250 hectares at the disposal of the peasants' organizations, in other words, for the continuation of agrarian reform.

Among other things, Mr Hugo Carrillo remarked: "I consider this economic order to be a response to all sectors. It may not please everyone, but it maintains this social balance. Agrarian reform is irreversible; no one can postpone it, because it is established in the Constitution."

PAISA Gives Reasons

According to agronomist Jose Napoleon Bonilla, "PAISA claims that its nine deputies have a consistent position. We are intent upon consolidating the first phase of agrarian reform, because we maintain that it is not a failure but that there has been retrogression. And agrarian reform does not mean distributing land or changing owners; it is something more complete, requiring the effort of all Salvadorans, based on efficiency and legal security." Deputy Bonilla stressed: "The farmer is not created by decree; he is the man who tills the soil and irrigates it with his own sweat; and PAISA will never cheat that man."

PDC [Christian Democratic Party] Position

When giving the reason for the vote against the economic system by his faction, Deputy Guillermo Antonio Guevara Lacayo told the plenum before the television cameras, with regard to the terms of that order in general: "With the pretext of achieving an economic reactivation and offering social security, it has put an end to the expectations."

Democratic Action

In explaining his vote in favor of the economic system, Dr Ricardo Gonzalez Camacho, of Democratic Action, stated: "This chapter regarding the economic order is absolutely clear; it reaffirms the social conquests of 1950. I have the impression that there is a tendency to judge it as a single article of

the reform, to judge it by a first phase of reform. The article on the agrarian system does not drastically counter that social process either. Judging the Constitution by a system is a result of the times, but with the passage of time there will be a dynamic, progressive interpretation, which will have to be carried out by another assembly elected by the people," as he commented, in his arguments.

ARENA

In his reasons for favoring the economic system, ARENA Deputy Francisco Merino declared: "Section 2 of Article 104 is particularly gratifying, because although it is true that it is a result of an interparty decision, ARENA fought for that provision; since, on the one hand, it means more land for the peasants, and, on the other, it removes a burden from the state, so that those funds will serve a social purpose in other areas.

"With regard to Article 104 of the bill, it may be somewhat repetitious, but it is essential that it be mentioned. In the first place, the approval by this plenum immediately dispels the uncertainty concerning legal security for ownership of rural properties.

"The proposal that was approved completely fulfills the political, economic and social considerations because, based on recognition of the principle of private property, the first and third phases are consolidated, the freeze on land is removed, an opportunity to purchase land is offered to all those who lack it or who have insufficient land, and firm steps are taken toward an economic reactivation for production, for the results of that production to reach the vast majority of the Salvadoran people, and for the state to be able to respond constructively to the constitutional obligation in Article 1 of this Constitution. And, in addition, the state will be able to have the necessary means for ensuring the individual and social rights established in this Constitution and approved by all of us."

2909

CSO: 3248/326

BLANDON COMMENTS ON GUERRILLAS, U.S. ATTITUDE

Buenos Aires LA NACION in Spanish 14 Dec 83 p 13

[Interview with Col Adolfo Blandon by Latin American correspondent Mario Perez Colman, in San Salvador; date not specified]

[Text] San Salvador--Starting 14 days ago, when Col Adolfo Blandon assumed the position of chief of the Salvadoran Army's General Staff, that force has been undergoing changes that are regarded here as deepseated. The purpose of these changes, among which the aforementioned chief's appointment is the main one, is to give a new, stronger impetus to the battle against the guerrillas.

Colonel Blandon, a man with civilian manners who, nevertheless, does not appear out of place in a combat uniform, told LA NACION that the eastern section of the country is the most critical one, militarily, at present, and cited the departments in which the subversives have concentrated their guerrilla fighters. He explained that the topography of the area benefits them and that, when they find themselves pressured by the Army's action, they move to Honduras and mingle with the Salvadoran and Nicaraguan refugees who have left their respective countries precisely to flee from the subversives, living in camps set up in that third country.

Guerrillas Neutralized

There is also a concentration of guerrillas in the central section of El Salvador, but they have been neutralized there as a result of the joint effort of the civilians and the Army, which have joined together to combat subversion and to repair the material damage caused by the latter.

Colonel Blandon remarks that, to date, this system has not been applied in the eastern area, owing to lack of resources. Nevertheless, it will be taken, with considerable effort, to the eastern department of Usulután, this month. In the western part of Salvadoran territory, there is isolated subversive action, and the situation may be considered generally pacified.

Six Helicopters

[Question] How many helicopters do you have, and how many do you need?

[Answer] Generally, we have six for all types of operations. The ideal number to have would be 30.

[Question] Is it true that the United States is supplying El Salvador with weapons "drop by drop," because it considers the human rights situation here unsatisfactory?

[Answer] I believe that is so. Thus far, we have been grateful to the United States rather for its intentions, but not because it has given us what we need for fighting.

[Question] What do you think the American position on this matter will be in the future?

[Answer] I am confident that our situation will be understood in the United States. We have improved greatly insofar as public opinion is concerned, and it must be convinced that it should give us the material we need. We do not lack human resources.

'Mexico Is a Potential Prey'

[Question] Is it your idea that, with the necessary resources, El Salvador may possibly put an end to the subversion for once and for all?

[Answer] There can be no lasting peace in Central America so long as the Marxist-Leninist government exists in Nicaragua. In other words, so long as there is a Sandinist government there will be no peace, and the conflict will spread to the south and the north.

[Question] Do you think that the subversion problem that your country is experiencing is part of the cold war between the East and West, or do you consider it a regional problem?

[Answer] It came into existence here and it has developed here. I expect, it is my belief at present, that for the two great powers the objective is the continent.

[Question] What is the meaning of your assertion when it relates to the United States?

[Answer] I mean that the United States wants to keep the continent under the democratic system. The Soviet Union, on the other hand, wants to put it under its own political system.

Disillusionment

[Question] Do you suppose that the United States will invade Nicaragua?

[Answer] I prefer to speak of intervention, not invasion. If the United States backs the anti-Sandinists, giving them what they really need, it may

not have to intervene directly. There is a usable advantage in Nicaragua, namely, the national situation, marked by the disillusionment that a large sector feels regarding Sandinism. This might well be taken advantage of to avoid a direct invasion. No government can maintain itself without the people's support.

[Question] Has Argentina backed El Salvador militarily?

[Answer] Definitely not, militarily. It has done so with some supplies; I think it is corn, but I am not sure.

[Question] What is your opinion of the Contadora negotiations?

[Answer] I do not have much information, but it seems to me that the effort being made is good. My government supports it.

The Elections

[Question] Is it true that the guerrillas have recently perpetrated kidnappings that have not been reported to the public?

[Answer] There have been some kidnappings in recent weeks.

[Question] What will happen with the terrorists during the presidential elections in March?

[Answer] The terrorists will attempt to boycott them, as they did the last time. But we have experience now, and we are prepared to ensure unhampered attendance at the polls. Furthermore, all the people know that we shall uphold the results of the elections, whatever those results may be. The death squads have done us as much harm as the leftist terrorist activities, or more. By their actions they foster subversive action. We are ready to combat them forcefully. We recognize that it is disgraceful for them to exist. And the laws will be enforced stringently against anyone, whether it be a civilian or a member of the military, who is involved in the death squads.

2909

CSO: 3248/326

JOURNALIST DESCRIBES PRESS FREEDOM LIMITATIONS

San Salvador EL TIEMPO in Spanish 9 Dec 83 pp 13-14

[Report on the status of the press in El Salvador and development of freedom of the press submitted by Dr Danilo Velado, trustee of the Association of Salvadoran Journalists (APES) and regional vice-chairman of the Communicators Federation of Central America and Panama (FECCAP), at the Fourth International Seminar on Journalism and Democracy]

[Excerpt] 4. De Facto Restrictions of Freedom of Speech

But although in some cases involving correspondents from international agencies or on the rare occasions when the press or other media have been the victim of some call to order (it should be explained that no one has been tried in common courts for crimes relating to the legal restrictions on freedom of the press cited previously), we must also mention here, so as to give a more realistic focus and to have more evidence available, a duality that occurs in the de facto restrictions that have been taking place, indeed more frequently, in our informational environments:

a. In the first place, the threats from the guerrillas. These have ranged from the "seizures," as they call them, of radio stations to air their pretaped messages to statements against a certain journalist, news medium or individual associated with the news media. The Salvadoran left has repeatedly committed this type of moral coercion and this practice of limiting freedom of speech, pressuring with the use of moral blackmail to achieve its public messages.

b. Secondly, recently in particular, there have been actions deserving of severe criticism and protest from free journalists, acts committed by the self-styled "death squads." They have succeeded in cutting off radio news broadcasts of a radio station; they have threatened other sectors associated with social communications; and, just a few days ago, they even went so far as to threaten the titular and auxiliary archbishops of the Salvadoran capital, because of the sermons that they are delivering each Sunday.

c. It should also be mentioned that, just as journalists labeled "leftist" had to leave the country, owners of newspaper companies and journalists whose lives were endangered by attacks by armed leftists, even on their dwellings,

find themselves in a kind of voluntary ostracism. Consequently, the picture could not be more gloomy, because violence has spread among the most variegated strata, and the only thing they have in common is the fact that they use weapons to settle ideological differences, contrary to what a man of letters upholds and preaches: ideas are combated with ideas.

5. Current Status of Members of the Press

If we must comment on the press in El Salvador and, consistent with this plan, discuss, albeit briefly, the way in which freedom of the press operates, it would surely be fitting to cite the vicissitudes, difficulties and many obstacles besetting the journalist in our environment: As might be assumed, he has no guarantee when he covers stories relating to hostilities. There have already been about half a dozen correspondents and reporters who have been shot to death, and just as many colleagues who have been left with some permanent disability as a result of injuries sustained while they were engaged in their professional activity. As a rule, they have been professional colleagues who, on some unfortunate day, happened to be caught between two gun-fires and were killed, or sustained bodily injury or harm.

Even now, there are always limitations on the progress of newspapermen and problems affecting their complete endeavor. This is partly due to the fact that the Armed Forces themselves do not want to run the risk of being blamed for what might happen to the correspondents; and partly because there is not a very good opinion of some of these correspondents who are linked with the guerrillas or at least have a connection with the guerrillas' political branch. And, as a result, it is anticipated that their reports abroad will be of a type negative to El Salvador, contributing to a misinformation the origins and scope of which have never been fully detected; because, in the intelligence and counterintelligence entities, those who belong to the militarist factions use what they have available as best they can. In this connection, a clandestine radio that is listened to for hours is a clear sign of what the left is doing as a war propaganda plan, strangely enough following Josef Goebbels' propaganda slogan: "Propaganda is a weapon of war. Its goal is to help win the war, not to provide information."

The Nazis used that; it is now being used by the guerrillas. Another thing in common that may be inferred is how those with ambitions for power have similar systems for attaining and retaining it.

Nevertheless, the Salvadoran journalist is a person who reflects what journalism is like all over the Spanish-speaking continent. In this respect, I recall what was once published by a Colombian colleague who, in 1973, only 10 years ago, was awarded the Mergenthaler IAPA [Inter-American Press Association] International Prize. In part of a lecture, the journalist, Jose Salgar, makes this statement:

"In the case of Latin America, the commitment that we have to economic and social development entails our engaging in a special kind of journalism to reach the public. We cannot achieve that journalism unless it is made

possible for the companies to pay their personnel well, and for that specialized personnel to receive a salary that will enable them to work exclusively for their newspaper. The system that exists in many countries, whereby the staff writer, specializing in certain fields, has to resort to subsidies, even from state offices or private individuals to complete his salary, because he cannot live decently on what the newspaper pays, seems improper to me. We must fight against this, because the only way of creating great journalism is by having that person work with complete independence, not having to accept any bribe and being able to carry out his moral mission with complete freedom."

It is here and in this way that we must focus part of our activity, so as to make the exercise of freedom the reality that we want it to be in our environment; because freedom of the press is not something confined only to the journalist, the company, or any particular sector or group. The autocratic governments with a system having a single party in power have the flaw of using the news media as tools on behalf of that party. On the other hand, as a well-known professor of journalism, Lloyd Sommerlad, has remarked:

"When a journalist exercises what is called freedom of the press, he is not enjoying a special privilege reserved for him by virtue of his profession. It is not a freedom or a license that belongs to the news media. It is no more nor less than the freedom of each and every one of the members of the community, because the journalist is a spokesman for the public as a whole."

The newspapers and other news media in El Salvador have faced serious difficulties, have assumed enormous responsibilities, and have managed to excel technically, with gigantic efforts that had to be expended to achieve this. We journalists have simultaneously had to progress step by step on a difficult path, during the course of which there have been incentives or threats, recognition or vituperation. Nevertheless, those of us who are involved in this every day work, those of us who know that journalism is a priesthood rather than a profession, and those of us who are confident that we communicators will some day succeed in shaping the changes and updatings that mankind needs to preserve its institutions, are pursuing a path of sacrifice and difficulty, one of problems with immediate and intermediate solutions, but always with the optimism that democracy, without "isms" denigrating the dignity of the human being and without unjust structures, will be a reality to the same extent that we expend our greatest effort to excel and to enhance our capacity, understanding and future projection.

Or, to put it in the words of the former Washington correspondent, Clark R. Mollenhoff, in an address delivered several years ago:

"The future of American democracy is contingent on the action of the press. If the newsmen of today and tomorrow are diligent workers and balanced thinkers, I have no doubt that American democracy will survive and flourish as a symbol throughout the world. If the press becomes submerged in a mire of superficiality, partisanism, idleness and incompetence, then our great democratic experiment will fail."

The surrounding pressure, the gory fratricidal battle, the correlation of political forces creating a hodgepodge of many colors more conducive to confusion than to clearness and the superpowers in their eternal search to mark out, acquire and expand spheres of influence and hegemony, are part of the environment that we journalists must confront every day. Despite many adverse factors, we are continuing ahead here in El Salvador. And this meeting with colleagues from different latitudes seems to us to be a splendid opportunity to reaffirm our faith and democratic destiny, and our battle for a better future.

Thank you very much.

2909

CSO: 3248/326

PNC SPECIAL CONGRESS MARKS 19 YEARS OF PARTY'S RULE

Reid Preview

Georgetown GUYANA CHRONICLE in English 15 Dec 83 p 8

[Text] THE GREATEST achievements of the People's National Congress during its 19 years in office has been the maintenance of peace and stability in the country, according to party General Secretary Cde Ptolemy Reid.

Cde Reid, who is also Prime Minister said that the PNC's plans for the future will focus on consolidating the peace and stability which has been achieved, and also on placing greater emphasis on agricultural development in the country.

The Prime Minister made the remarks on a Guyana Broadcasting Corporation programme during which he explained some of the reasons for the Special Congress of the Party scheduled for this weekend at Sophia auditorium.

Cde Reid explained that some of the important items listed for the weekend Congress include election of office bearers, presentation and adoption of the Party's new Constitution and discussion of business left over from the last Congress held in August.

Matters relating to the restructuring of the PNC will also be discussed, the General Secretary pointed out.

In describing the PNC's achievements during the past 19 years, Cde Reid said that when the party came to power, many people expected "a division of the country." But, Guyanese, he said realised that it was a case of either living together or destroying one another.

Cde Reid described the progress of this country's education system as another achievement of his Party. He detailed better training facilities, more educational opportunities as examples of this and said that the educational thrust has been the right one.

He stressed that emphasis on agriculture will be continued, observing that several aspects of the country's agricultural plans have already been implemented.

The completion of several stages of the Mahaica/Mahaicony/Abary Agricultural Development Scheme, and the Tapacuma Irrigation Scheme and the development of a number of food processing industries were cited by the top party official as areas of achievement in this country's agricultural thrust.

The PNC General Secretary expressed the view that the present crisis may be a good thing in the sense that it has brought home to Guyanese, the importance of self-reliance and also has assisted in the production of local items.

Many people have discovered that they can live without a large number of items which were formerly imported, said Cde Reid.

In addition, to agriculture, Cde Reid said another activities such as mining and manufacturing will be given increased attention.

As regards the restructuring of the party, the General Secretary explained that work has begun in this direction with several changes being made to the methods of electing members of the Party's Central Executive Committee.

Instead of members being elected to terms of office running from one Biennial Congress to another, they will now be given specific assignments to undertake. After these assignments are completed, the party will be under no obligation to retain their services unless they are needed for other work.

He pointed out that as a result of the change in the party's structure, a wider range of skills will become available, a feature which can ultimately benefit the country.

The changes in the Party's structure will be concomitant with the increased emphasis on ideological education. He explained the saying that "Learning is not an overnight thing." It has to be a continuous process since some people learn at slower rates than others, he said.

With this in mind the General Secretary noted that plans are afoot to resume the publication of the Party's ideological magazine "RORAIMA" which he described as an ideological and educational tool. (GNA)

Resistance to Economic Pressure

Georgetown SUNDAY CHRONICLE in English 18 Dec 83 p 1

[Text] PRESIDENT Forbes Burnham told delegates at the PNC's Special Congress yesterday that a lesson from the Grenada situation is that imperialism is prepared to breach the very laws it has instituted, in order to keep alive the status quo.

Imperialist forces, Cde Burnham added are mounting increasing political and economic pressure against this country in order to subvert its development and maintain it in a state of dependency.

He noted however, that Guyana has the capacity to survive all economic blows.

Economic assistance has come from the Democratic People's Republic of Korea (DPRK) in the form of a gift of one hundred tractors and spare parts, and soon this country will receive agricultural equipment, fertilizers and more tractors under a line of credit agreement with the DPRK. The line of credit is part of a general economic cooperation agreement with that country, he explained.

Guyana, he revealed, also hopes to renew its line of credit with neighbouring Brazil. And, when this programme come on stream, there will be less excuses for failures to achieve targets.

The President urged the delegates to be practical in their deliberations and said he expected this Congress to be a serious one. He also expressed the hope that no one will seek to, "prove (his) devotion by agreeing with everything the Leader says".

"Be practical in your deliberations," he urged.

He called on delegates to be good leaders in their respective communities and stressed that with the increased emphasis on agriculture, the regional administrations will have a greater role to play in this country's development.

"We do not want mouth leadership during 1984 since those who talk most, do least," he stressed.

He stressed the importance of self-reliance for the nation's survival and reminded that the yielding of one's independence will not necessarily result in promoting the development of the national economy.

"The juggernaut of imperialism does not recognise friendship", he warned and reminded that friendship for the imperialists is tutelage. Therefore "you cannot serve the imperialists and the people at the same time."

He also warned party members to guard against factionalism and told them to let what happened recently in Grenada be a lesson.

Meanwhile, the Congress yesterday afternoon resolved itself into a commission to discuss the President's address. These discussions were expected to continue for the rest of the day. Today's session will involve the presentation and discussions of the commissions report.

The Congress is scheduled to end late this afternoon, with the installation of the party's new Central Executive Committee [GNA].

Burnham on Imperialist Schemes

Georgetown SUNDAY CHRONICLE in English 18 Dec 83 pp 1

[Text] THE Special Congress of the ruling People's National Congress got underway yesterday morning at the Sophia Convention Centre with party leader and President of Guyana Forbes Burnham urging delegates to guard against the schemes of the imperialists.

At yesterday morning's session also, Vice-President, Production, Desmond Hoyte in his capacity as Legal Adviser to the General Secretary of the PNC explained some of the constitutional changes which are being proposed for the party.

In his welcome address, PNC Chairman Cammie Ramsaroop told delegates from all ten administrative regions that it is very rare for the party to summon a Special Congress. He noted however, that the prevailing political and economic circumstances justify the holding of the current congress.

He noted that since the Fifth Biennial Congress in August, greater political and economic pressures have been placed on Guyana by outside forces in a bid to get the country to change its ideological course.

"The economic pressure is intended to force this country to its knees" he said.

Burnham on Purge of Corrupt

Georgetown GUYANA CHRONICLE in English 19 Dec 83 p 1

[Text] PRESIDENT and PNC Party Leader Cde Forbes Burnham, said on Saturday that the People's National Congress shall before Christmas deal with certain members involved in acts of corruption.

This warning was made as he delivered the address to open the Special Congress and set the tone of its deliberations. Earlier he stated that the Party could not afford disunity.

He recalled that around the time of the Fifth Biennial Congress, in August this year, a female Member of Parliament was asked to tender her resignation and while he was out of the country recently another Member of Parliament was asked to do likewise.

The President said, that the corrupt acts perpetrated by these two persons were related to "reaping monetary rewards" directly and therefore tampering with justice.

"There are acts of corruption where secrets are given out, we have a few with whom we shall deal with before Christmas in this Party," he said.

The revised Party Constitution states that "Any member may be disciplined for conduct incompatible with membership of the Party." This includes "corrupt practices."

Sanctions for such misconduct are suspension or expulsion from membership of the Party, suspension or removal from office, exclusion from holding Party office for a specified period, reprimand or warning and such other penalty as the proper disciplinary authority may consider appropriate in the circumstances of the particular case.

Election Results

Georgetown GUYANA CHRONICLE in English 19 Dec 83 p 1

[Text] PRESIDENT Forbes Burnham was last night returned unopposed as Leader of the ruling People's National Congress.

Fifteen Central Executive Members were also elected by ballot under the revised Party Constitution at the Special Congress on the PNC at Sophia.

And, performing his first task as re-elected Leader, Cde Burnham appointed Cde. Ptolemy Reid as Deputy Leader and General Secretary, and named Cde Urmia Johnson as Assistant General Secretary.

Prior to elections Cde. Reid only held the post of General Secretary with Cde Johnson as his Assistant.

The two-day Special Congress of the PNC, held over the weekend, was called mainly for elections of the Leader and Central Executive Members of the Party as a result of a resolution passed at the Fifth Biennial Congress held from August 14 to 21 this year.

That resolution sought the postponement of elections in the light of the constitutional changes within the party, one of which called for fifteen members to be elected to the Central Executive instead of seven, and the abolishment of permanent offices within the structure except those of Deputy Leader, General Secretary, and Assistant General Secretary.

Before elections there were 55 candidates, but 15 declined yesterday afternoon.

Since the opening of the Special Congress on Saturday Cde Burnham was announced as Leader for another two-year term since his position was not challenged.

The new Executives are:--Hyacinth Goddette, Robert Corbin, Hamilton Green, Viola Burnham, Robert Williams, Desmond Hoyte, Richard Van-West. Charles, Gowkarran Sharma, Cammie Ramsaroop, Harun Rashid, Ranji Chandisingh, Mohammed Shahabuddeen, Seeram Prashad, Malcolm Parris and Sallahuddin.

According to this new constitution, the Leader and the Central Executive may co-opt other party members and members of affiliated organisations to that body.

While announcing the appointments of Cde Reid and Cde Johnson, Cde Burnham stated that he thought the need would arise for such co-opting at the first meeting of the Central Executive, which should not be far off.

The installation of the Leader and Central Executive was done by a Party stalwart, 70-year-old Ruth Duquid who has been around since 1953 and was a founded member of the PNC in 1957.

CSO: 3298/379

SUPREME CONGRESS OF PEOPLE HOLDS SECOND SITTING

Results From First Session

Georgetown GUYANA CHRONICLE in English 14 Dec 83 p 1

[Text] THE Supreme Congress of the People, the largest assemblage of the Parliament of Guyana, created under the People's New Constitution will begin its second session Friday with the first sitting at the National Cultural Centre.

The Congress, which brings together 93 of the People's representatives drawn from the National Assembly and the National Congress of Local Democratic Organs, discusses matters of public interest and makes recommendations to the National Assembly or Government.

More particularly, the Congress also advises on matters referred to it by the President.

Like at its first session which was prorogued last month, the Congress is expected to take into consideration when deliberating, the highlights of the address to be delivered by President Forbes Burnham.

It is as a result of recommendations made by Congress that the legal draftsmen are now working on a bill to establish an Accountability Committee which will inquire into any matter relating to corruption and irregular practices in the society.

That first session of the Congress also advised the President to take all appropriate action to stamp out corruption in Guyana after His Excellency had pointed out how that and the parallel economy were having adverse effects on the nation.

Action on the Venezuelan claim to Guyana's territory, steps to deal with illicit trading and proposals on identification and exploitation of natural resources for domestic and export purposes were among other recommendations of the Supreme Congress.

A widespread campaign by the Police to deal with smugglers and blackmarketeers was intensified and national plans are on stream to heighten production for self-sufficiency and export since Congress dealt with such matters.

The choice of how to achieve a peaceful settlement to the controversy arising out of the Venezuelan claim has since been referred to the Secretary-General of the United Nations.

Functionaries concerned with the start of the second session of the Congress were making physical arrangements at the Cultural Centre yesterday and the programme for the sitting will be released by tomorrow.

However, it is expected that this meeting of the widest cross-section of the people represented in Parliament, will again be marked with pomp and ceremony.

Again it coincides with celebrations to mark the (19th) anniversary of the PNC in Government and the high point of the Friday sitting would be the President's speech.

President Burnham is expected to touch on both domestic and international issues and a host of special invitees including diplomats will be in attendance.

Debate on the President's speech and motions arising out of it will take place at a later date in the Parliament Chamber, Public Buildings.

Agenda Review

Georgetown GUYANA CHRONICLE in English 15 Dec 83 pp 1, 4-5

[Text] PRESIDENT Forbes Burnham will challenge the Supreme Congress of the People to heighten regional involvement in the agriculture thrust for hastening a turn around in the economy.

Well-informed sources said that a cutback in lending by the international agencies and slow movement towards the new international economic order, developing countries must enhance South-South co-operation and intensify self-sufficiency efforts.

While Guyana has favourable bilateral relations with a number of countries including India and the DPRK, the need for increasing production for export is still critical.

The Supreme Congress last year deliberated on regional involvement in the exploitation of resources but it is felt that much more could be done and the President is likely to allude to this.

Guyana's foreign policy in the new year--still based on the principles of Non-Alignment--will also be dealt with when President Burnham addressed the largest assemblage of the Parliament of Guyana tomorrow.

The Cultural Centre occasion will start with the usual pomp and ceremony, the reading of the proclamation and other formalities before the sitting is suspended to allow for the arrival of the President.

During his speech to the 90-odd representatives from the National Assembly and the National Congress of Local Democratic Organs, President Burnham is also expected to make some pronouncements on domestic matters.

It is out of his speech that the Supreme Congress will be presented with motions and resolutions to be debated from Tuesday next week.

Reliable sources said the debate would take at least two days.

The Supreme Congress is appropriate to stimulate regional developmental efforts since all the Regions are represented in it.

The meeting of the Second Session of the Supreme Congress of the People will start the main activities to mark the nineteenth anniversary of the People's National Congress in Government.

And in the various speaking opportunities he will get up to the time of the Rally at the National Market Day, President Burnham would urge the preservation of the nation's gains in the continuing move towards socialism.

A special congress of the PNC is scheduled for Saturday and Sunday.

Burnham on Schools

Georgetown GUYANA CHRONICLE in English 17 Dec 83 p 1

[Text] PRESIDENT Forbes Burnham last night specifically asked the Supreme Congress of the People for advice on how the communities in which they are sited should be made responsible for the maintenance and operation of primary and secondary schools.

He said this should come about because of the necessity to shift resources from some sectors to others.

His remarks seemed to be the curtain-raiser for some changes now being contemplated by the Ministry of Education.

He noted that education was free from nursery to university and emphasised again that every school should be a production unit.

Recently it was reported that while the Ministry of Education was experiencing financial difficulties in maintaining all the schools, a number of the schools had raised money through economic activities. Anna Regina Multilateral and Bishops' High School were said to have made a total of \$31 000 between them.

The Supreme Congress was adjourned after the President's speech and when the debate on it starts Tuesday, the President said he hoped it would last longer than two days.

Before entering the Cultural Centre and taking his seat against a picturesque stage background, President Burnham inspected a guard-of-honour drawn from the Guyana Defence Force on the tarmac outside.

The dark grey skies did not prevent hundreds of spectators from viewing the impressive ceremony.

On arrival, the President, accompanied by Cde Viola Burnham, was met by Prime Minister Ptolemy Reid, Chairman of the Congress Sase Narain and the Chairman of the National Congress of Local Democratic Organs Hulbert McGowan.

Chief of Staff Brigadier Norman McLean, Police Commissioner Lloyd Barker and Guyana National Service Deputy Director-General Charwin Burnham were among the official party.

Development Forecast

Georgetown GUYANA CHRONICLE in English 17 Dec 83 p 1

[Article by George Baird]

[Text] DESPITE the worsening global economic situation, new lines of credit have been made available to Guyana so that this country could heighten agricultural production which is pivotal to the nation's economy.

Disclosing the new development which has come about as a result of bilateral discussions between Guyana and other countries involved in South-South cooperation President Burnham said Guyana would get lines of credit from India, the Democratic People's Republic of Korea [DPRK], Brazil and Colombia.

One of these countries (he did not name it) is to give 100 tractors and spares, he told the opening of the Second Session of the First Supreme Congress of the People.

Reiterating the belief that South-South cooperation should impact favourably on the North-South dialogue, Cde. Burnham said the lines of credit would accelerate the agriculture thrust.

But he again warned that greater effort must come from Guyanese although he held out hope that a Commonwealth initiative taken in New Delhi would hasten the new economic order and enable the Bretton Woods Agreement and international lending agencies to deal with the Third World debt problem.

President Burnham outlined new Government measures to weigh capital and current expenditure in the Regions to meet the objectives of "feeding ourselves and exporting to buy what cannot be produced here.

He said while counter-trade would continue, it would not be substituted for normal trade.

He said the Regions had made a tangible contribution to the food production this year and he referred to the produce in the markets but again emphasised that more could be done.

Without anticipating the Budget, President Burnham also said that the fish and shrimp fleet would be increased and there would be joint ventures in these areas with other countries.

The plan he commended to the Supreme Congress of the People also calls for increased expenditure in forestry, the rehabilitation of the bauxite industry and more gold and other mining activity.

He predicted that 1984 should see the results of the activities this year.

"We are not without resources. I hope we are not without resourcefulness", he told the members of the Congress and thousands of others at the National Cultural Centre.

Cde. Burnham said physical inhibitions would be removed and he called for the active participation of the masses.

"Let us face the challenge with faith and confidence", he urged.

In another spirited call for the involvement of the people in the Regions, Districts and the neighbourhoods, he added: "We must suffer today's discomfort for tomorrow's comfort."

Earlier, when he reviewed the world political situation he also called on the Congress to give leadership in sensitising the people to defend independence.

He said Grenada was "an apt lesson" for the Latin American and Caribbean Region, where the "big brother" policy and military invasion is being practised.

The President recalled that when the Grenada resolution was discussed in the National Assembly there was unanimity and he suggested that "now is the time for hard work" and "unity should be the norm."

[More on the President's speech in tomorrow's issue].

Burnham on Agriculture

Georgetown SUNDAY CHRONICLE in English 18 Dec 83 pp 1, 16

[Text] PRESIDENT Forbes Burnham Friday night stressed that real independence has to be based on a firm economy and called on Guyanese to face the challenges of the future with faith and confidence.

Addressing the ceremonial opening session of the Second Session of the First Supreme Congress of the People at the National Cultural Centre, he said that agriculture will continue to play a pivotal role in the national economy. And in 1984, both current and capital expenditure will be weighted in favour of the agricultural economy.

Guyanese, he added, must ensure that they produce enough food to feed themselves. They must also produce surpluses for export.

And noting that famine stalks the land in some parts of the world, especially in parts of Africa and Asia, and that some countries are using food as an economic and political weapon, he emphasised that Guyanese should seek to ensure that no one is in a position to use food as such a weapon against them.

Guyana, he added, will shortly be receiving a gift of some 100 tractors and spare parts from a country friendly to Guyana. In addition, friendly countries will be extending lines of credit to Guyana.

He noted that 1983 has been a bed of thorns for Guyana and that many targets had not been met in several vital sectors of the economy partly because of factors such as the unavailability of equipment.

Conscious of these problems, in 1984 the government will seek to remove the physical inhibitions to increase production. In addition the government will expect members of the Supreme Congress to help sensitize the public so that there could be active and meaningful participation of the masses in the development process.

The security of all states, Cde Burnham pointed out, today hangs from a slender breaking thread. But real independence, he noted, can only be achieved if a country can support itself fully, thereby preventing itself from becoming a pawn in the intensive super power rivalry in today's world. (GNA)

CSO: 3298/378

PPP STATEMENT RENEWS CALL FOR UNIFIED POLITICAL FRONT

Text of Statement

Georgetown MIRROR in English 18 Dec 83 p 1

[Text] IN a press statement following a meeting of the Central Committee, the PPP has declared the need for a political solution to the deteriorating situation in Guyana. The Party again reiterated its call for a National Patriotic Front Government to unite the people and solve the grave crisis engulfing the nation. The statement reads as follows:

The Central Committee (CC) of the People's Progressive Party met on December 10-11 and dealt with a number of burning issues. These included the aggravated international situation and the grave economic and social crisis affecting the country. It pointed out the urgent need for a political solution and the PPP's proposals for a National Patriotic Front Government (NPF) based on the three indispensable pillars--Democracy, Anti-Imperialism and Socialist Orientation.

The Party viewed with deep concern the economic crisis and the central government's tradiness in unveiling an emergency contingency plan, alternative to the draconian IMF prescriptions which, if implemented, would lead to further disasters in the economic and social spheres.

The Central Committee discussed at length the recent developments in the political situation, and the government's stance on a number of issues. Note was made of some positive features, but restricted to foreign policy. The downward spiral continued on the domestic front.

Too many long suffering Guyanese are emigrating and resorting to crime, prostitution, gambling and other social evils. A further decline in living standards will create much worse conditions and should be prevented by appropriate measures.

The PPP is prepared to approach the vital question of a political solution with salesmanship, principle and a growing concern for the worsening plight of the Guyanese people and economy.

Patriotic Front

On the issue of elections, the Central Committee concluded that although the PPP can win a clear and comfortable majority at the polls in free and fair elections, the Party is still determined to reject the "winner-takes-all" principle, and as enshrined in its National Patriotic Front proposals, it is prepared to share power with political forces subscribing to a programme reflecting the wishes of the people. It is envisaged by the CC that the NPF is the prime vehicle to unite the nation.

A National Patriotic Front government will enable Guyana to stand up unitedly against imperialism with one powerful voice and an invincible determination never to yield in territory, sovereignty or commitment to an anti-imperialist course of development. With the Reagan administration becoming more and more emboldened and belligerent, thus threatening world and hemispheric peace, the CC identified imperialism, and US imperialism in particular, as the main enemy of the Guyanese people. Unless the imperialist threat is overcome by a united people, the PPP sees no progress for Guyana.

Anti-Imperialist Unity

The 'light at the end of the tunnel' will drift further and further away, simultaneously with a build-up of rightist forces collaborating overtly and covertly with US imperialism in this country. This build-up must be aborted at all costs, for these rightist forces signify a grim future for Guyana should they rise to any prominence. There is an urgent need therefore for anti-imperialist unity and democratisation of the society. Within this context, the PPP is not prepared to abandon its identity and compromise on questions of ideology.

The Central Committee concluded that the economic crisis can be solved once there is the political will on all sides to do so. A political solution will in the long run relieve the people of a large number of their day-to-day suffering and will reverse the downward trend in the growth rate of the economy. The onus however is on the PNC government to create a conducive political atmosphere, incentives and infrastructure to bring about urgently needed improvements.

Grave Concern To Humanity

The Central Committee characterised the present world situation as extremely aggravated and blamed the Reagan administration for placing the world in the dangerous situation which it is in today. The CC viewed the break-down in the Geneva talks on limiting the deployment of nuclear weapons in Europe as a matter of grave concern for all humanity.

An overall assessment was made of the US-led invasion of Grenada and the new situation obtained in the region. In recognition of the seriousness of the situation in the Caribbean, the increased acts of aggression against Nicaragua and the stepped-up interference in the internal affairs of El Salvador and

Guatemala, the CC unanimously adopted a resolution re-affirming its support for the Nicaraguan Revolution and against US intervention in that country.

CHRONICLE Version

Georgetown SUNDAY CHRONICLE in English 18 Dec 83 p 9

[Text] THE People's Progressive Party has renewed its call for a National Patriotic Front government saying it is prepared to share power with "political forces subscribing to a programme reflecting the wishes of the people."

A statement disclosing decisions taken at the latest Central Committee meeting, noted "some positive features" in foreign policy of the People's National Congress Government but said the downward spiral continued on the domestic front."

The PPP said there is need for "an emergency contingency plan" alternative to the "draconian IMF prescriptions" which if implemented "would lead to further disasters in the economic and social spheres."

"The PPP is prepared to approach the vital question of a political solution with statesmanship, principle and growing concern for the worsening plight of the Guyanese people and the economy," the statement said.

Arguing that a National Patriotic Front Government "would enable Guyana to stand up unitedly against imperialism with one powerful voice" the PPP identified imperialism, and US imperialism in particular as the main enemy of the Guyanese people.

"Unless the imperialist threat is overcome by a united people, the PPP sees no progress for Guyana," the Central Committee of that party said.

The PPP said a build-up of rightist forces collaborating overtly and covertly with US imperialism must be aborted at all costs and added that there is "an urgent need therefore for anti-imperialist unity".

CSO: 3298/380

PNC OUTLINES NEW EMPHASIS ON IDEOLOGICAL TRAINING

Georgetown NEW NATION in English 11 Dec 83 p 1

[Text] Members of the People's National Congress are now reciting a new object of the Party following a decision to amend the constitution of the Party.

Amendments to the Party constitution began some time ago but they were not ready for ratification at the Fifth Biennial Congress held in August. The new constitution should be ratified at the Special Congress of the Party to be held next weekend.

At a meeting of the Central Executive Committee of the Party to discuss the amendments it was agreed that the Party should place emphasis on ideological training hence the new object the fifth in the order of recital.

This object reads, "To provide sound ideological training on a continuing basis for all Party members to enable them to work in a sustained and disciplined way to build a Socialist society in Guyana and to function effectively in such a society."

The order of reciting the objects of the party is..

To secure and maintain through the practice of Co-operative Socialism the interests, well-being and prosperity of ALL the PEOPLE of GUYANA.

To pursue our commitment to the SOCIALIST ideal and more particularly to ensure that the people of Guyana OWN AND CONTROL for their benefit the natural resources of the country.

To provide every Guyanese the opportunity to work for and share in the ECONOMIC WELL-BEING of the country and to ensure that there is EQUALITY of opportunity in the political, economic and social life of the country.

To motivate the people of Guyana to improve by their own efforts and through the Party, the communities in which they live.

To provide sound ideological training on a continuing basis for all Party members to enable them to work in a sustained and disciplined way to build a Socialist society in Guyana and to function effectively in such a society.

To pursue constantly the goal of NATIONAL SELF-RELIANCE.

To work for the closest possible association of GUYANA with her CARIBBEAN NEIGHBOURS and to maintain a link with INTERNATIONAL ORGANISATIONS and AGENCIES whose aims and objectives are consistent with those of the PEOPLE'S NATIONAL CONGRESS,

TO NOMINATE AND SUPPORT members of the Party for election to the CENTRAL LEGISLATURE and LOCAL GOVERNMENT COUNCILS.

CSO: 3298/380

REID URGES PNC MEMBERS TO STRENGTHEN LOYALTY, EDUCATION

Georgetown NEW NATION in English 11 Dec 83 p 3

[Text] GENERAL Secretary of the People's National Congress, Cde. Ptolemy Reid has emphasised the need for individual groups to strengthen their loyalty and to step up the education programme within the Party.

Party comrades must show that they have staying power to win in the end of the struggle, since as the revolution gets deeper the pains shall be worse, he said.

Cde. Reid who was speaking at the Timehri-Eccles District Conference, Sunday, said that collective efforts by Guyanese should help develop new approaches which will enrich not only themselves but also the economy.

Self-reliance is a practical method for self-development to help overcome the current economic situation, he stressed.

He told the large gathering that the people's co-operative must function effectively thereby demonstrating what the government is trying to achieve. After identifying the importance of defending the revolution, Cde. Reid said that, Guyanese must realise that vigilance is their watchword. Vigilance, he urged, must stay with those comrades of the PNC who are in the vanguard.

The enemy feeds on the weaknesses of a disorganised people, he said. The lions roar when they see the animals close together to cause confusion in order to strangle one for a meal. We must not allow outside forces to cause confusion in an effort to get at us, he warned.

The PNC General Secretary said that since the PNC assumed office it has been working for a better life for the Guyanese people.

What is happening now has never happened in centuries, Cde. Reid said. In order for us to succeed we must stand firm behind the Party and Government he added.

Under Socialism we have a good economic plan, but a dissatisfied people can achieve nothing, Cde. Reid told the audience.

He challenged that at conferences delegates were being fed with facts so they could understand the current crises and they must have the courage to live this life through circumstances which will propel us to fulfil our needs.

New officers elected were Cde. Claude Maison, Chairman; George Bowman, Secretary; Zaman Ali, Treasurer; and Joseph Hodge, Alternate General Council Member.

CSO: 3298/380

PPP ORGAN SCORES GOVERNMENT'S EDUCATION POLICIES

Georgetown MIRROR in English 18 Dec 83 p 4

[Text] GOVERNMENT through the Ministry of Education is actively considering the closure of a large number of schools. These include nursery schools, primary schools, and community high schools. Quite recently it was revealed in the state-owned Chronicle that two high schools (Tutorial High and Alleyne High) are listed for closure. This information infuriated parents who are categorically opposed to the closure.

It is understood that government is short of funds and is seeking to cut down on rent for school buildings. It is also known that government is cutting down on teaching staff and has been phasing out a number of schools over the past year.

In the case of Alleyne and Tutorial High Schools...virtual landmarks in Georgetown, the public response was so hostile that the Ministry has stayed its hand for the moment and is having another look at the question. Last week two senior Education Ministry officials (a District Education Officer and an Education Supervisor) held a meeting with over 400 highly agitated parents and guardians in the Alleyne High School. The topic was the 'immediate closing down of the school.' The parents and guardians vehemently opposed the proposal and criticised the Ministry of Education. Some of them expressed their willingness to pay the rent for the building, while others shouted 'There is no free education in Guyana.'

Because of the hostile reaction experienced at the Alleyne High School meeting, the Ministry did not go ahead with plans to hold another meeting in the Tutorial High School. The question of closure is being re-considered. It is also observed that there are no available places in other schools for the secondary students who would thus be displaced.

Where nursery schools are concerned, an informed source in the Ministry of Education said that the closure-axe is poised to strike here too. Said the source: 'Six nursery schools were closed in September alone. They were Camp-town, Regent Road, Ralphway, Bonny, Lucy Clare, and Central. Later on, five other schools were closed...Clarkson, Alberttown, Sun Flower, West End, and Cowan Street. The children from these schools were sent to other schools which are already overcrowded, hence learning cannot readily take place.'

The source went on to relate that: 'Ten other schools have already been considered for closing this term-end, since they cannot pay the rent any longer. These are: Norton Street, Charles, Pavilion, Carmel, Collins Morris, James', Ebineezer, Meadow Brook, Griffith and David Rose. The remaining nursery schools in Georgetown are already in a cramped style, hence some nursery schools will be forced to work on a shift system. Can these hungry babies walk for long distances to school and work on a shift system?'

Government for this year slashed the education vote by some \$32 million, and is now preparing the way for further hefty cuts in 1984. Many schools, teachers and students will have to go. Available schools will thus be crammed with children, and long distances are envisaged for many students to travel to and from schools in 1984.

Government in its mass media claims that it is seeking to "rationalise" the nation's school system, and that a country-wide exercise is underway. Some 60 schools are on the chopping block, including 6 secondary, 4 primary and nearly 50 nursery schools.

CSO: 3298/380

TRADE DIFFERENCES WITH DOMINICA REVIEWED, EXPLAINED

Georgetown SUNDAY CHRONICLE in English 11 Dec 83 pp 12, 19

[Text] IN THE wake of the US-led invasion of Grenada the Government of Dominica has accused Guyana of acting like a "spoilt child" in its trading relations with Dominica. However, the available evidence makes these accusations both unfounded and unwarranted.

Prime Minister Mary Eugenia Charles, for example, speaking in New Delhi and in Miami, accused Guyana of cutting off shipments of rice to Dominica because of Dominica's participation in the October 25 invasion.

Investigations here have revealed however, that at the heart of the issue is a yet-to-be-signed trade agreement between Guyana and Dominica with the latter not yet indicating when it will sign the said agreement.

Investigations here have also revealed that Guyana could not possibly have cut off supplies of rice to Dominica since the invasion of Grenada for, according to GRB officials, in recent times, Dominica has not been purchasing rice from Guyana--at least not officially. And, since the GRB is the sole authorised exporter of Guyana rice, any shipments of Guyana rice made to that country in recent times would have been done illegally.

The GRB contends that the last official shipment of rice from Guyana to Dominica was made in November 1981--just over two years ago when 4,000 bags of first quality white rice were shipped aboard the m.v. Miss Antigua. Before that a shipment valued at \$84,970 was made in July 1978.

However, in one Associated Press report from Roseau, the Dominican capital on Wednesday, Dominican officials were reported as saying that the Dominican Government was forced to increase the price of rice by seven per cent per pound to Dominica consumers because Guyana had stopped shipping rice to that island which now has to import the commodity from outside Caricom at higher prices.

If the Associated Press report is accurate, then it seems clear that the yet-to-be-signed agreement between Dominica and Guyana is being used unjustifiably by Dominica to whip up "anti-Guyana" sentiments in the Caribbean and even further afield.

In the meantime, Dominica has not yet publicly admitted that it has not yet signed the agreement.

But now back to the heart of the issue.

The proposed agreement in question was drawn up based on initiatives taken by Guyana when the then Vice-President, Economic Planning and Finance Desmond Hoyte, met and held discussions with Prime Minister Charles at a meeting of Caricom Finance Ministers held in Barbados earlier this year.

The focus of those discussions was on the possibility of increasing trade between the two sister Caricom states. And, as a follow-up to those discussions, a Dominican trade mission led by Percival Marie, Dominica's Permanent Secretary in the Ministry of Trade, Industry and Tourism, visited Guyana.

The off-shoot of those discussions was the drawing up of what some refer to as a barter agreement which would provide for the sale of 1 000 tonnes of Guyana's rice to Dominica and for the purchase by Guyana of some 1,5 million tablets of toilet soap from Dominica from the date of the commencement of the agreement.

At the discussions held in Georgetown, Guyana pointed out that because of its foreign exchange constraints, it would be necessary for Dominica to first purchase Guyana's rice so that Guyana might then have funds with which to purchase Dominica's soap.

To date, Dominica has not signed the agreement. And, inspite of repeated unsuccessful attempts by the Head of the Department of International Economic Cooperation to contact Percival Marie in Dominica, Guyana still awaits some indication from Dominica about its preparedness to sign the agreement.

When contact was last established with the Dominicans on this matter, they reportedly said the delay was due to the need to make some adjustments in their pricing structure to accommodate the high-priced rice from Guyana.

One view abroad here however, is that Dominica which has not in recent times purchased rice from Guyana might be hoping to acquire its supplies of this commodity through the USA's PL 480 arrangement--a facility which was extended to Jamaica last year thereby replacing Guyana rice on the Jamaican market.

Another view abroad is that Dominica might be interested in merely selling its soap to Guyana while not buying any rice from this country.

The latter view seems to have been reinforced by the fact that even though Dominica has not yet signed the agreement, the Guyana Pharmaceutical Corporation [GPC2, acting in good faith, went ahead and purchased supplies of toilet soap from Dominica. However, GPC by cable dated October 24--even before the Grenada invasion--suspended purchases of soap from Dominica.

"I don't know that there is any ill-will on anybody's part but we need to have the arrangement with Dominica tidied up," one local official explained.

Meanwhile, the GRB continues to supply Trinidad and Tobago--its main overseas market. And it has been asked to step up its shipment from about 2,500 to 3,500 bags per month.

The proposed barter agreement with Dominica was one of three Guyana had entered into in the wake of difficulties with the Caribbean Multilateral Clearing Facility (CMCF). The others were entered into with Jamaica (Guyana's rice for mill rollers for Guysuco) and with St Vincent (Guyana's rice for St Vincent's crude edible oil and peanuts).

While the arrangement with Jamaica was effected smoothly that with St Vincent has reportedly run into problems with St Vincent reporting its inability to supply Guyana with its full quota of the crude edible oil.

Reports this week-end from local trade officials said that while St Vincent should have delivered an average of 400 drums of oil per month to Guyana. It has been delivering an average of only 120 drums per month.

They said the latest reports from St Vincent are that power outages and other problems are plaguing the operations of Annos Vale Industries Ltd. As a result of these difficulties attempts are now being made by Guyana to acquire supplies of edible oil from non-Caricom sources to meet the shortfall on the local market.

Guyana, they pointed out, has been shipping rice to St Vincent in accordance with requests from that country.

"We ship whenever they ask and we have not been lagging", one official explained.

The local officials have pointed out, however, that they are worried about the illegal shipments of rice being made by some unscrupulous businessmen to the Caribbean.

They noted that recently the GRB caused a locally owned and registered vessel the m.v. Fylke, to be detained in St Vincent with 113,07 tons of smuggled parboiled rice aboard. However, someone in St Vincent filed an injunction restraining the GRB from taking any further action and the rice was subsequently auctioned at the wharf in St Vincent at a great loss in foreign exchange to the national coffers.

Several other vessels owned by prominent local businessmen they said, are known to be involved in similar markets.

The smuggling of rice into the Caribbean including St Vincent and Dominica--they explained, is also "giving Guyana rice a bad name" since the unscrupulous businessmen ship poor quality rice.

So far as those who consume the poor quality rice are concerned, they consume "Guyana rice", the officials explained.

MIRROR CRITICIZES MASTER PLAN FOR BAUXITE INDUSTRY

Georgetown MIRROR in English 18 Dec 83 p 4

[Text] A Master Plan for the bauxite industry has been submitted to government by United States Steel (USS) one of the imperialist firms retained by gvt., at a very high fee to look into the bauxite crisis. A perusal of the Plan shows many statistical formations and projections, and guarded optimism for the future. It is heavily tailored however to suit the overseas buyers of Guyana's bauxite. It is surmised that if the government accepts this so-called "Master Plan" in its entirety, the ailing economy is bound to collapse faster than it is at the moment.

Some of the unacceptable recommendations stipulate retrenchment reduction in prices, and concessions to foreign buyers in the western countries. It calls for a search for more markets but does not suggest where...for the obvious place would be in the socialist community, since the west is in deep recession. The Plan recommends: "Immediately reduce operating costs to reflect a decrease of US\$30-\$50 per ton in price of RASC product." (RASC means refractory grade 'A' super calcined bauxite).

With Guymine expected to run up a deficit close to \$200 million in 1983, it would be foolish for government to effect such a sharp price reduction at any time in 1984 or onwards. For Bidco to unilaterally reduce Guyana's bauxite price by \$150 to \$250 per ton is to court disaster. This refractory grade ore is of high quality, and is the main export element, with Guyana's major competitor on the world market being China

The Plan refers to managerial inefficiencies and calls for improvements. 'Bidco's market share started to decline during a period of reasonably good demand, and the trend has continued. A pick-up in market share will likewise not be dependent solely upon demand. The present Bidco share of the world-wide RASC market is slightly over 40 per cent. This is less than half of what it once was. Some of this loss can be attributed to such reasons as changes in steel promotion processes and also a move by customers to use lower-cost indigenous materials.'

There are however other competitive factors which contribute to Bidco's losses. Among these are: Emergence of a major competitor (China); unreliability of

Bidco supply, some inconsistency in quality, lack of close relationship with customers, preference of customers for multiple sources and price undercutting.

The Master Plan calls for Bidco (Bauxite Industry Development Company) to meet the price competition. 'Production costs must be cut by at least US\$30 per ton for Bidco to become a viable self-supporting industry.'

(Other aspects of the Master Plan would be dealt with later).

CSO: 3298/381

RIVER, SEA FLOOD CONTROL PROJECTS MAPPED FOR REGION 4

Georgetown GUYANA CHRONICLE in English 19 Dec 83 p 3

[Text] A PERMANENT river defence at an approximate cost of \$460,000 is to be built at River View, Ruimveldt.

This disclosure was made recently by the Chairman for Region 4, Cde Ivan Remington, who said that the designs for the works had been completed by the Hydraulics Division of the Ministry of Agriculture.

The Chairman said that during the early part of October this year "a serious breach occurred in this area which led to extensive flooding affecting over 100 residential lots. As a result, temporary repairs to the breach were carried out by workers attached to the Hydraulics Division of this Region."

Cde Remington pointed out that "the preservation of river and sea defences forms an integral part of the agricultural drive within the Region, and as such, it is imperative that some priority be given to our sea and river defences."

He said that the major works now being undertaken include the Turkeyen Sea Defence Project.

The Chairman recalled that some time ago this area was declared a disaster area due to excessive flooding as a result of a breach in the sea defence.

These works, he said, entailed the construction of new reinforced concrete walls and slopes for a distance of approximately 5,425 feet.

"In 1983 work was programmed for 1,200 feet, of which 300 feet have been completed and it is anticipated that by the end of this year a further 150 feet of work would be completed, subject to the availability of materials, especially mild steel rods," he said.

Work on this project was temporarily suspended during the first half of this year to carry out emergency works at the Flagstaff intake sluice at Cane Grove.

The chairman also noted that during the early part of this year, two new sluices were completed at Hope/Enmore. It is hoped that during next year, new

reinforced concrete walls and slopes of approximately 338 feet will be constructed to link these sluices. And the existing drains up and down stream will be diverted to improve the drainage of the area.

"Providing funds are available", the Chairman went on, "it is envisaged that other major sea and river defence works will be undertaken. One such work will be carried out at Mosquito Hall/Belmonte involving the construction of new walls and slopes for about 2,860 feet as projected by the Hydraulics Division of the Ministry of Agriculture."

"The work will be phased over a period of four years at a cost of \$23 million."
(GIS)

CSO: 3298/381

U.S. ACCUSED OF ACTING TO DEPRIVE NATION OF RICE MARKET

Hoyte in Parliament

Georgetown GUYANA CHRONICLE in English 13 Dec 83 p 1

[Text] IN HIS contribution to the day's debate, DR CHEDDI JAGAN enquired why Dominica has no formal agreement to purchase rice from Guyana in keeping with the Caricom agreement.

In response, CDE HOYTE explained that the United States of America is using the PL 480 arrangement to give countries like Jamaica rice on very easy terms so that they would not have to buy Guyana's rice.

"The regional grouping is under attack," he stressed, since outsiders are using various techniques to break up the Caricom trade partnership. (GNA)

Jagan Attack

Georgetown MIRROR in English 18 Dec 83 pp 2-3

[Text] THE USA is pressuring Guyana in the Caricom area, and is depriving Guyana of its vital rice markets in the Region. This was disclosed to the National Assembly on Monday last during the consideration of the supplementary budget tabled by the PNC government. The item at the time under discussion was \$15 million as "additional provision to pay BIDCO and other corporations for bauxite and other items exported under government-to-government counter-trade for goods to be used on national projects and otherwise."

PPP leader Cheddi Jagan expressed deep concern over the fact that the last official shipment of rice to Dominica was in 1981, and previous to that it was in 1979. "How is that?" he asked. "What were we doing all this time? Were we sleeping. He called on Vice President Hoyte (who is in charge of production) to explain this enigma, since the Caricom Treaty stipulates that whatever products are obtainable in the Caricom Market ought not to be bought elsewhere.

Minister Hoyte in his reply said that "you can't compel anyone to buy anything from you if they don't want to. Many of these arrangements have been disrupted

by the USA. In Jamaica the markets have been disrupted by US PL 480 shipments of rice, even though in accordance with US law, the PL 480 Act is not intended to disrupt normal commercial trade. There is nothing anyone can do about it, and it is important that members of this House take note." He also stressed that the Regional integration movement is under attack, and its institutions are being eroded. He identified the USA as the source of these problems.

Dr. Jagan drew the attention of the House of what had transpired during his term of office, when the United States imperialism tried the same tactics to erode Guyana's Regional rice markets. A determined campaign was mounted by the PPP in which Guyana's rice was exhibited side-by-side with US varieties, and it was seen by the buyers that Guyana's rice was of a better quality and price. So they bought from Guyana and spurned the US variety. Dr. Jagan called on the PNC to do likewise.

Minister Hoyte however explained that the issue today is not so straightforward. The PL 480 rice is not being bought by the Caribbean states. It is being provided under concessionary terms to them by the USA. "It is not being bought. It is virtually given away for instance to the Seaga government in Jamaica. We are dealing with political power."

On this same item, Narbada Persaud of the PPP asked the Finance Minister, C. Greenidge to identify the corporations involved in the counter-trade deals, the other items obtained, and the value of the goods to each corporation, plus the goods imported for use on national projects.

Minister Greenidge replied that the corporations involved include the GRB, Guysuco and "others in smaller transactions" and the goods sold were rice, sugar, pharmaceuticals etc. The goods obtained were cement, steel, and commodities used in a variety of agri projects--mainly capital goods.

The government spokesmen did not admit or intimate that the big capacity cars recently landed in Guyana and already distributed to the elite, were part of the counter-trade deal.

CSO: 3298/381

SCIENTIFIC RESEARCH APPARATUS ANNOUNCED BY PRESIDENT

Mexico UNOMASUNO in Spanish 7 Dec 83 pp 1, 4

[Article by Victor Manuel Juarez]

[Excerpt] President Miguel de la Madrid announced last night the creation of a national research system, and invited the scientific community to work on this project. "It is no exaggeration to state that the fate of our national development depends significantly on our progress in science and technology."

During the ceremony at which scientific research awards were presented, in the Carranza Room of Los Pinos, attended by members of the scientific community who described the gloomy national situation in this field, the chief of state asserted that "at this time it is impossible to entrust scientific development to spontaneity. We need a whole series of measures to encourage scientific research and make it feasible. We will spare no effort to obtain healthy scientific development."

De la Madrid also told the scientists that science represents a social, economic and cultural force of primary importance in the contemporary world. Scientific research is one way of contributing to and having access to universal knowledge, he stressed.

"For this reason," added the president, "the national scientific community represents the hope for an indigenous scientific and technological development, the culmination of our educational system."

This does not mean, he explained, that we seek scientific or technological autarky. Exchanges in these areas are not only inevitable, but desirable. But that does not imply that we are a country that merely receives external knowledge; rather, we are a country with something that can be shared abroad in these fields.

Then he said that the government is convinced that a decisive aspect of the educational revolution that we are bringing about is to achieve close and indissoluble ties between research and education. On that basis, and on the basis of other considerations, we are interested in creating a national research system.

He told the researchers that a collective effort will be necessary to ensure the survival and growth of the scientific community, making sure that the problems of the moment do not cause us to lose sight of something that is a decisive part of our structure, and can become even more so: scientific and technological knowhow.

He also stated that the national government has given priority to the goal of increasing the number of researchers, promoting that activity, and convincing the nation of how valuable people who engage in research are. Thus, he added, the federal government will facilitate the creation and consolidation of scientific research groups throughout the country, using all channels available.

At that point he invited the scientific community in general, and the Academy of Scientific Research in particular, to draft and propose, through the Secretariat of Public Education, a project for the creation of a system of national researchers, which would then be analyzed by the National Council for Science and Technology (CONACYT).

This system, he explained, would be designed to recognize and promote scientific research projects in our country through various means of stimulating scientific work. "For my part, my office will provide various monthly economic stimuli," stressed Miguel de la Madrid, "which will be granted, on the recommendation of the Academy, through the Secretariat of Public Education (SEP), if the researcher is assigned to an institute of higher research, or through CONACYT if the researcher is working in one of the research centers under the latter's jurisdiction."

He proposed that in order for the levels of quality and productivity of the national research system to be a factor in the nation's progress, the requirements and the associates should be evaluated periodically. These evaluations will be conducted by selected groups of academics. Three kinds of stimuli are contemplated, primarily scholarships.

The chief executive ended his speech by asserting his conviction that "intellectual investment, carefully developed, can be decisive in Mexico's balanced development. Within the context of the conditions we face, we will spare no effort to achieve healthy scientific development."

8926

CSO: 3248/334

BRIEF

ELECTRICAL WORKER UNEMPLOYMENT FIGURE--Campeche, 1 December--Eighty thousand electrical workers are unemployed as a result of the economic crisis, which has curtailed production and construction projects, stated the national leader of that sector's union, Leonardo Rodriguez Alcaine. He also announced that in 1984 an additional 120 million pesos will be invested in Yucatan and Quintana Roo, in the housing program for electrical workers. Rodriguez Alcaine repeated that the situation of electrical workers is serious, especially among occasional workers, since there is a shortage of resources and the Federal Electricity Commission (CFE) has placed limits on the number of projects. At the end of the assembly of the Sole Trade Union of Electrical Workers of the Mexican Republic (SUTERM) here, the union leader turned over 240 housing units. [Text] [Mexico City EXCELSIOR in Spanish 2 Dec 83 p 8-D] 8926

CSO: 3248/334

SOCIAL TENSIONS, TRADE UNION NEGOTIATIONS

Rotterdam NRC HANDELSBLAD in Dutch 2 Jan 84 p 14

[Article by Frans Heyligers: "Antilles Starts 1984 With Great Social Tensions"]

[Text] Willemstad, 2 Jan--The Antilles starts the new year with social tensions. On several fronts employers and unions are opposing each other. This is also the case with the governments which are expecting sacrifices from government employees, now that the treasury is running very low.

The employees of some private companies essential to the economy like Shell's refineries on Curacao and Exxon's on Aruba and the airline ALM, are required to give up some of their rights and terms.

Already since the beginning of last year the unions have made it known that they are not prepared to accept cuts, at the most to make exchanges. With that they mean that sacrifices from the side of the employees should be compensated by an offer from the employer. This can be a share in the profit, participation of laborers in company matters or guarantees for reinstatement of acquired rights as soon as the situation becomes normal again.

For, otherwise the unions fear to fall an all too easy prey to the employers who would want to cancel the social rights acquired through union struggles, under the pretext of economic recession, and who would turn the clock back many years by doing so.

Neutral Experts

At Shell CAO [Collective Labor Agreement] talks have been going on for more than half a year. The board of directors wants higher as well as lower personnel to give up vacation allowance and other financial benefits and also to start contributing more to secondary labor terms such as the company's pension fund and sickness benefits.

The PWFC union was not convinced of the necessity of this: not even when a committee of neutral experts was allowed to have a look at the books of Shell and reached the conclusion that the refinery ought to reduce personnel expenses in order to be able to compete with other refineries again.

However when Shell's board of directors said that new investments can only be made if cuts are accepted now and that otherwise the refinery would close down gradually, then the union, with its 1,000 members, announced that it was never against contributions from the side of the employees. It is the manner in which Shell is trying to impose it which meets with resistance, according to spokesmen.

A measure unilaterally imposed by Shell in November in the form of elimination of vacation allowance was put before the judge by the union. Just before the end of the year the judge decided in the union's favor; Shell has to honor the old, expired CAO [Collective Labor Agreement] stipulations as long as there is no accord on a new CAO.

Cooperation

According to a reliable source Shell already has other measures to fall back on in order to make up for the elimination of that first measure. But first of all, the union and Shell will meet again for negotiations this week.

At Exxon on Aruba a plan has taken effect to lay off part of the employees because of quickly decreased production. The IOWUA union is cooperating. For months there have been attempts at the Antillean airline ALM to reach an accord with the seven unions representing the employees.

There is always one not in agreement, resulting in the fact that on complete accord can be reached. This month new attempts will be made after it became apparent that an estimated loss of 13 million guilders for the coming year cannot be reduced by other measures.

The governments may face the most difficult confrontation. The central Antillean government under the leadership of Prime Minister Don Martina plays the forerunner for the island governments of Aruba and Curacao. The central government was the first one to find that its own income is decreasing fast as a result of the economic recession, while personnel expenses are increasing considerably each year.

Higher Taxes

Therefore, reforming government finances has become the first requisite. Sacrifices made by government personnel as well as an increase in direct and indirect taxes are considered to be the ways to restore balance in the government's economy.

However, the unions are not very happy about the way in which the government thinks it can defer adaptation to increased cost of living as well as reduce vacation allowance for 1984 by nearly half.

Several times Prime Minister Martina has tried to explain to union representatives that this is one of the measures the government has to take. But the union kept putting up resistance. The unions of public servants have formed one block together with the teachers' unions of the other islands.

This week the last meetings with all sorts of government departments are coming up, among them the parliament. The unions have already made an action plan which can be put into effect at any moment according to spokesmen. "These actions do not aim at improving the treasury," Martina announced referring to these threats made by the unions.

Declaration of War

The confrontation between the unions and Prime Minister Martina, who enjoyed union support for a long time, could possibly have political consequences. The opposition party such as Aruba's MEP [People's Electoral Movement] and Curacao's DP [Democratic Party] scent danger and have already prepared themselves not to watch meekly how the attacks on the government will be effective.

It was not without reason that MEP leader Betico Croes increased the political tension during the past weeks and even spoke of a declaration of war to the Martina cabinet.

Apart from that, the unions of government employees cannot count on full support of other unions. There, much discontent has come with the tremendous increase of personnel costs in the governments as numerous cases are known where public servants never appear at work but do receive a salary every month.

Besides, society is expected to make larger sacrifices in the form of higher prices for services of government institutions if money is not raised in any other way. Because of the sacrifices made in many other sectors and the increased cost of living they are counting on the government employees to make their contribution to reforms in the economy, reforms in government finances and reduction in unemployment.

12433

CSO: 3214/111

VOA BRANDED PSYCHOLOGICAL WARFARE TOOL

Managua BARRICADA in Spanish 16 Dec 83 p 3

[Commentary by Roberto Alvarez Quinones]

[Excerpts] The U.S. Information Agency (the country's Propaganda Ministry) is not the only disinformation and psychological warfare agency within the Yankee government apparatus, but it is one of the most important. Its mainstay is the Voice of America (VOA), because according to American propaganda experts and theoreticians, overt or covert broadcast subversion is one of the most effective tools in psychological warfare.

All of the elements of psychological warfare are present in the broadcasts of the VOA, which is now under the U.S. Information Agency (USIA). The government has given this network enormous broadcasting power: its more than 100 stations have more than 23,000 kilowatts of power, which is equivalent to almost 30 percent of the broadcast capability of all the industrialized capitalist countries put together. It broadcasts some 1,000 hours a week in 41 languages, "selling" the world the idea that the American way of life is the ideal and "planting" in the minds of millions of people a fear of "communism" and of every noble, just and progressive cause on the planet.

Under Ronald Reagan's fascist-like administration, the VOA has now substantially heightened its psychological warfare and its counterrevolutionary ideological venom. The VOA has returned to the overtly mendacious language of several years ago, amid the reactionary, chauvinist wave of propaganda in which the current administration is engaged. It is trying to make people believe that the Soviet Union poses a threat to mankind and has military superiority over the United States, that the USSR, Cuba and other socialist countries are responsible for the social revolutions that are seething throughout the world and that the USSR is financing the antiwar movements that have sprung up everywhere in opposition to Reagan's strong-arm policy and the danger of nuclear war.

The VOA utilizes a wide range of psychological ploys to "trap" its listeners, especially young people. Its musical programs, its seemingly light-hearted shows, its newscasts and its miscellaneous programs feature "pleasant" announcers with appealing voices who speak conversationally, informally; there might be two or three of them talking about trivial matters, even about their private lives (their vacation or where they went over the weekend, etc); contests are held, with pullovers and other gifts as prizes; youth clubs or listener clubs are set up.

A key element is the "friendly relations" that the VOA tries to establish with its listeners through correspondence. Without their even suspecting it, their letters to the VOA enable the USIA to learn more about the tastes, preferences, age, occupation and location of its listeners, especially young people.

In its replies, using photographs, postcards or pamphlets, the VOA presents an idealized image of U.S. society in a bid to turn its listeners into admirers of the United States and to make them reject socialism and withdraw from the social or political struggle in their respective countries.

The VOA also uses certain adjectives to stigmatize revolutionary leaders or socialist countries. It talks of the "Marxist leader" or of "extremists" or "ringleaders," but it never speaks of the "anticommunist leader" or the "reactionary," "capitalist" or "imperialist" president in describing the ones that are.

The purpose of this psychological warfare tactic is to project an image of what is normal from the standpoint of the imperialist order that is being perpetuated. Everything that is opposed to or clashes with this bourgeois or Yankee "normalcy" is described in such a way that listeners tend to reject it.

This arbitrary use of language as a propaganda and psychological ploy twists and undermines reality and unmasks the "objectivity" that is so often boasted of by this purveyor of Yankee disinformation, the true fair-haired child of the USIA.

8743

CSO: 3248/301

FARMERS ORGANIZATION SAYS AMNESTY LACKS CLARITY, GUARANTEES

Managua LA PRENSA in Spanish 16 Dec 83 p 10

[Text] The Agricultural and Livestock Producers Union of Nicaragua (UPANIC) would be willing to arrange for the return of many farmers who have left the country if their lands were actually given back to them and if the FSLN [Sandinist National Liberation Front] offered suitable guarantees.

This comment came from Ramiro Guardian Ortiz, the president of the private Nicaraguan farmers organization, who was talking to a reporter from the DIARIO DE LOS NICARAGUENSES.

UPANIC also feels that the decree deserves little credibility because it is vague as to how producers will be given back their property.

We also have to bear in mind that hundreds of producers from whom land was taken are not members of UPANIC.

Our source added that the government owned 7 million manzanas [1 manzana= 1.75 acres] previously and has annexed 2 million more during the past 4 years.

Many of these lands were acquired arbitrarily, either by confiscation, expropriation or intervention, Guardian said.

The decrees have, in fact, disillusioned producers, who expected something more serious and specific from the government, he added.

Ramiro Guardian also reported that UPANIC is quite concerned that at the same time that elections are being announced, Commander Jaime Wheelock is making statements such as "There will be a Sandinist Nicaragua here or there will be no Nicaragua."

"What does the Sandinist leader mean by this: that there will not be elections or that the results will not be respected?" he asked.

"I hope that I am wrong, but we are completely convinced that the FSLN is not going to run the slightest risk of losing power through elections," he contended. "People are wrong if they think now that there are going to be elections in Nicaragua and that they are going to elect supreme authorities," Guardian said in conclusion.

SWEDISH REPORTER: BOTH SIDES RELY ON TERROR IN AYACUCHO WAR

Stockholm DAGENS NYHETER in Swedish 10 Jan 84 p 13

[Article by Bengt Albons]

[Text] Ayacucho, Dec 83--"They are as fanatic as novices in a convent." That is what a prison priest had to say of Sendero Luminoso, the secret and ruthless guerrilla organization in Ayacucho, Peru's poorest province.

Sendero Luminoso struck for the first time in 1980 and since then it has carried out thousands of armed actions. More than 4,000 people have been killed--most of them, however, in military counter actions. DAGENS NYHETER's Bengt Albons reports from the "dirty war" in Ayacucho.

There are two things I will always remember from Ayacucho, the city and province where Peru's "dirty war" is going on. The breathtaking beauty. And the appalling terror felt by its people.

It was the beauty of Ayacucho's colonial square and the high mountains in the distance that I stood and admired from the hotel balcony one sunny morning when a military truck drove across the square. Old Indian women in brightly-colored clothes and small children jumped quickly aside in confusion.

From the back of the truck, soldiers with a tight grip on their machine pistols waved happily to their comrades on guard outside the prefecture and the courthouse. From the street, no one saw what I saw from up on the balcony--the two prisoners who lay flat on their stomachs with their heads down.

It went quickly. I did not get my camera out until the truck with its prisoners turned down the road toward the airport where the military camp is located with its prison camp, notorious for murder and torture. Few return from it alive.

On the road leading to the square, the soldiers and their prisoners went around the first corner where the offices of the lawyers' association was located. There the lawyers' spokesman, Efrain Morote, raises the most fearless voice in Ayacucho in protest against the violence and encroachments committed by the military forces. It is to him that relatives of the two prisoners on the truck will turn first if they dare to report their disappearance.

Frightened

If they do, they will be told to go to the office of the public prosecutor, which the truck drove past. But the frightened prosecutor will not do anything and he will not say anything to journalists. He has received orders on that.

And Dante Guerra of the prefecture office will blame the disappearances on economic flight from the wartorn province.

At police headquarters further down the main street, no one will answer questions. They just say they have been ordered to keep quiet by the military commander of the war area, General Clemente Noel Morales.

The general will not meet anyone who dares to ask questions.

Thus in Ayacucho there is not only the officially ordered silence but the silence of the oppressed. But as always, there are cracks in the wall.

In spite of the fact that Ayacucho is full of agents in civilian clothes, people take the risk of talking to a foreigner they know to be followed and under observation. They take the risk in order to tell the outside world of their anger and sorrow over the oppression, over the loss of friends and relatives.

Outside the silent prosecutor's office, I met Indian women who came to ask without any real hope whether there was any news of their husbands who had disappeared.

A weeping woman said that her husband was seized over 4 months ago by the special police, the "sinchis." Since then she has looked for him everywhere without result.

Another woman is here to report that her son was arrested and taken away by armed men in uniform 3 weeks ago.

Torture

A dapper man in a suit and tie, a city dweller, said:

"Write that we are afraid here. That we all have some friends or relatives who have been jailed, tortured or murdered by the military. Say that we do

not want the guerrillas, but that we would rather have them and their selected murders than the indiscriminate killings of the military butchers."

Some Indians from the towns of Santica and Cushibamba said they had come to request permission to dig up and give a decent burial to relatives who had been found in a mass grave containing 15 people on a mountain they called Toccto. They said the military had seized and killed all 15 in a massacre.

They handed me a piece of paper, a statement they had written in broken Spanish addressed to "correspondent gentlemen" and signed "the voice of the people."

It was a bitter attack on government soldiers who were accused of thievery, injustices, assaults on women "without regard to age" and the murder of 15 town residents, including two teachers.

In another place I met a woman who told of the massacre of 21 people in the town of Socos the night before the election, 13 November.

Some of the town residents had arranged a party, in part to celebrate an engagement. Most of them were supporters of the government party. During the evening, policemen from the special "sinchis" force came to the party. An intoxicated woman accused them of having stolen her bull. After a while the police returned with reinforcements, arrested all the men, women and children there and drove them away in trucks.

All were killed and their bodies were thrown on a mountain slope.

A government commission was appointed to investigate the massacre. Even before it published its conclusions, the internal affairs minister said that the guerrilla movement Sendero Luminoso (the shining path) was behind the massacre.

"Everyone in Socos knew that the 'sinchis' (the police) killed them," said the woman who has a relative who was the only survivor of the party and is now in hiding.

In a hospital in Ayacucho lies Mayor Deonsio Rivero Guevara from the small town of San Miguel, wounded by five pistol shots, two of them in the head. He is a member of the government party, Accion Popular like three of his friends who were killed in the assassination attempt on him in a billiard parlor.

"I do not know who fired the shots, but I do not think it was the Senderos (guerrillas)," he said.

Earlier, in a private conversation with a local journalist, he had said that he was convinced that the Senderos had shot him. But now his hospital room is full of visitors and he is afraid to talk. Like the police, the guerrillas have their agents everywhere.

It is not just the police and the military forces the people fear.

At the criminal police headquarters in Ayacucho, they questioned me--as they do all foreign visitors--concerning my personal data.

Alongside me a 14-year-old Indian boy who did not know his own date of birth was being questioned. He cannot read or write but he is a suspected terrorist. A 14-year-old--my thoughts went to my own teenage child in the safety of Sweden.

I took pictures of the prisoners behind the bars on the other side of the prison yard. Later I met someone sitting behind those bars, accused of having given information to Amnesty International and of having contacts with foreigners.

The criminal police are the best, I was told, they do not torture or kill those they arrest.

War

The war in Ayacucho began recently. The military was first sent there a year ago.

Now there are between 6,000 and 8,000 armed men in uniform here, according to prefecture spokesman Dante Guerra. Soon the forces will be supplemented with 2,000 men. But it will take at least 16,000 men, he told me. Twice as many as there are now.

He estimates that the enemy--the guerrilla movement, Sendero Luminoso--has 3,000 armed men. Plus a growing number of supporters.

"They are invisible," says Dante Guerra. "They hide among the people. That is why this is a dirty war."

Then the armed forces do commit excessive acts?

"Yes," he answered, "it can happen. But the offenders are punished."

And how does he explain the disappearances?

"There are four explanations:

"1. People leave for the coast or other places. The population here has shrunk in half, from half a million people to 250,000.

"2. Many have been forced to join the guerrillas.

"3. Men flee the burdens of fatherhood.

"4. The people themselves kill thieves and robbers, for personal revenge."

Things look entirely different to Efrain Morote, chairman of the lawyers' association.

He is one of the people I got closest to in Ayacucho who can be said to defend the guerrillas and the armed conflict. Military sources said that he has a son in the guerrilla movement. He himself said that his son disappeared 4 years ago and that he does not know where he is.

Some 250 Cases

But Efrain Morote's primary task is to defend the victims of the persecutions. And he works openly with Amnesty International along with Ayacucho's Commission on Human Rights.

Amnesty recently published a well-documented report on military violations. Peru's president chose to view it as an insult and threw it "on the trash heap."

"It is hard to know how many people have disappeared here, because people disappear every day in this area. Today I had one case, yesterday I had seven. I know of at least 250 cases.

"In the beginning, up to about a year ago when the military intervened in the war, most of the people who disappeared turned up again. But now, most never come back. And at that, we hear of only a fifth of the cases at the most. Most don't dare come here to make a report. The military people scare them and say that we are terrorists. They have accused me of blowing up power lines. It's so absurd," said Efrain Morote.

"We also know of many cases of torture, but few people dare to talk about it openly, for then the military would seek revenge."

Efrain Morote compares the situation in Ayacucho to the one in Argentina after the military coup in 1976. The war here is being Argentinized, Vietnamized, in his opinion.

"This is a catastrophe for Peru's democracy," said Efrain Morote. And in spite of his courage, his outspokenness, he admitted like all the rest that he is afraid.

Sendero Luminoso--Guerrillas Without Halos

Some of the aura of secrecy hovers over the Peruvian guerrilla movement, Sendero Luminoso. But the halo is lacking, along with the tales of heroism that so often surround rebel movements in Latin America.

The reasons are probably that the rest of the Peruvian leftist movement has repudiated the Sendero guerrillas and that Sendero Luminoso is a fanatic and hopelessly doctrinaire terrorist organization.

The name Sendero Luminoso (shining path) is not really the movement's own name but comes from the name of a periodical the movement put out, quoting a leftist theoretician who spoke of Marxism as "lighting up the path."

The Sendero people call themselves the Communist Party of Peru.

There are several groups seeking a monopoly on that name. For the Sendero people are just a splinter of a splinter of the party.

But only the Sendero Communist Party is led by "comrade Gonzalo," a 52-year-old university professor who wrote his doctoral thesis on "Kant's Theory of Space" and whose ideas, according to the Sendero people, represent the fourth development stage of Marxism, after the deaths of Marx, Lenin and Mao Tse-tung.

This "comrade Gonzalo," whose real name is Abimael Guzman, is regarded by the movement as "the only world revolutionary leader now alive."

Not surprisingly, his picture is mounted on the wall of criminal police headquarters here in Ayacucho under the heading, "Wanted."

And not surprisingly, the Sendero people view all other communist parties in the world as defectors. That even applies to the Chinese CP now that Mao has also been pronounced dead in an ideological sense and the "gang of four" has been put in jail. For "Mao Tse-tung's thoughts" and Mao's military strategy theory of rural areas surrounding cities also guide Sendero Luminoso.

There are no means that they shun in their struggle. The movement was founded in the 1960's when Abimael Guzman taught at Ayacucho's university.

During many years of underground work, they prepared for their revolution among the poor Indian peasants in the rural areas. They struck for the first time in 1980 when they burned election ballots in connection with the military relinquishment of government power after 10 years of dictatorship.

Since then they have carried out thousands of armed actions and around 4,000 people have died in the "dirty war" as a result, most of them victims of military assaults.

They have achieved success and popular support in Ayacucho and surrounding areas because this is the most neglected region of Peru. Here the average life span among the Indians is 44, compared to 58 for the country as a whole. That is lower than the life expectancy in the very poorest countries such as Bangladesh and Mozambique.

This region also lacks doctors--and health care. Most of the people can neither read nor write. Scarcely 7 percent have access to running water in their homes and even fewer have electric lights.

In addition, the traditional peasant movements have never been strong here. Sendero Luminoso has given them their only hope for change.

But they are completely ruthless in their struggle. A Sendero member told a friend he met recently out in the country that they were prepared to kill three-quarters of the people in order to achieve their goal.

They talk of a struggle between generations and describe the present as the year 0. There is no doubt that they kill ordinary peasants who raise objections. There are extensive eyewitness accounts of their massacres.

They have tried to prevent the peasants from trading and going to fairs. In this way they resemble the mass murderers in the Khmer Rouge in Kampuchea.

"But they do not know who the Khmer Rouge are, although they are interested because they are being compared with them." So said Father Hubert Lanssiers, a Belgian prison priest who is the only person trusted by the political prisoners on the prison island of El Fronton, off the coast from Lima, the capital.

"They are as fanatic as the novices in a convent. But they are not unreasonable, they have a sense of humor," Father Lanssiers said.

"I have told them I would fight them if they managed to seize power and that therefore they would have to kill me. They replied that they promised to save a golden bullet for me."

6578

CSO: 3650/95

HISTORIC, LEGAL TIES WITH ANTARCTIC EMPHASIZED

Lima EL COMERCIO in Spanish 2 Jan 84 p A-2

[Text] A scientific expedition is ready to go to the Antarctic. It will leave for that extreme southern part of the world, perhaps the only area unpolluted despite its abundant wealth.

Rear Adm Jorge del Aguila, director of hydrography and navigation of the Peruvian Navy, cited this important step and the responsibility of this urgent opening. It means validating a right in the unknown ice continent through an action in situ. This will culminate previous observation and information-gathering projects on geography and geodesy carried out by our navy officers.

A special mission will leave Wednesday, 4 January, to set up Brazil's first Antarctic Station. Interest in that emporium of wealth favors international cooperation.

The unreserved participation of Peruvian Navy Capt Pedro J. Sevilla in the 1983-84 Argentine Antarctic Campaign is evidence of this. He heads a group of compatriots from IMARPE [Sea Institute of Peru].

A planner and pioneer in new conquests in the ocean--like the concept of 200 maritime miles--our country has important tasks to carry out in that new direction of scientific exploration and economic exploitation. It has undeniable rights over the Antarctic.

The physical continuity of its arid coasts and cold salt waters, dominated by the Humboldt or Nino Current that starts right there in that frozen area, the extension of the Andes and the ecological factors connected to it as well as undisputable historic and legal precedents--our country adheres to the Antarctic Treaty--give Peru a position that must be consolidated. This is especially true since the 1979 Constitutional Assembly concretely defined this point by declaring that Peru is closely tied to the south.

7717

CSO: 3348/193

PLP ORGAN REPORTS ARRIVAL OF U.S. ARMS SHIPMENT

Castries CRUSADER in English 17 Dec 83 p 1

[Article "Guns Galore etc.," with displayed subheads consisting of quotations attributed to Prime Minister John Compton, as follows: "Hope the day etc...," "All the communist etc..." and "Grenadian etc..."]

[Text] Hope the Day Will Never Come When We Awake to the Sound of Guns

LAREG SHIPMENTS of arms arrived in St. Lucia last Saturday from the United States Government. The arms were landed at Vigie Airport and Hewannora Airport by United States Officials and St. Lucian Police Officers were on hand to receive them.

The heavy consignment of weapons was part of a package which the Reagan Administration made available to the governments of the Eastern Caribbean including Barbados

All the Communist Countries Ever Give is Guns Not Money

The rapid arms-build-up in St. Lucia is causing great concern to many St. Lucians who were suspicious of the large amount of sophisticated weapons which already exist in the Police Armoury.

One observer said: "We do not expect any invasion of St. Lucia so we must conclude that the weapons are for the defence of the Compton Regime against the people. The Government has quietly introduced the era of armed conflict in St. Lucia.

Grenadian Police Should Be Given Batons Alone, Not Guns

CSO: 3298/384

OPPOSITION UPM PROTESTS GOVERNMENT PENSIONS SCHEME

Georgetown MIRROR in English 18 Dec 83 p 3

[Text] A SCANDALOUS situation has developed in St. Vincent where the Cato regime has voted for hefty pensions and fat gratuities for government ministers and parliamentarians with nine years' service and over.

A government order stipulates for the payment of gratuity (lump sum) equal to two years of the highest basic salary to a MP who served for 9 years.

Pensions would be paid at the rate of one-quarter of the member's highest annual salary (for 9 years' service), one-third for service between 9 and 15 years, and one-half of the highest annual pay for members with 15 years or more service.

Under this arrangement Prime Minister Cato can look forward to a "golden handshake" of \$72,000 and a pension of over \$1,500 monthly when he ceases to be an MP. His ministers would get a gratuity of between \$40,000 and \$50,000 and a monthly pension at \$1,000 each.

Opposition Party, United People's Movement (UPM) has accused the ruling party leaders of "an act of self-interest" and with "feathering their own nests" at the expense of working people who have either a pittance for pensions or nothing at all after 30-40 years of back-breaking service.

UPM pointed out that in a country where there is no integrity legislation, ministers of government continue their legal and business practices while in office, and "make money on the side". It is an insult to the people for them to vote themselves gratuities and pensions on top of this.

CSO: 3298/385

END